embarrassed

by report

The Strain &

index medi in 1.000 p is 10.0m

telkn dethe

resiet #

index coved g

.947.16 Ter

174.1E

ile (513)

alised offer

THE BEE

the little

1.1. 解門上

± 20€ 3 (20)

WANTED :

) Throng of 19652

THE SEPTEMBER

للعظامين

call book

المنتهور من

1, 22,05

ner in

on Gulf war

Coce-Cola, the leading US soft

drinks company, will today announce in Moscow the

claims this is the first private

sector joint stock company in

Russia to be majority controlled

corporation. Page 2; The ascent of Everest, page 10

Middle East peace talks appeared deadlocked after Israeli and Palestinian negotia-

tors clashed over the issue of Israeli settlements in the occu-pied territories of the West.

British and US officials were

told about the military uses of the Iraqi supergum project

before parts were delivered to Saddam Hussein's regime,

Azylum plea rejected.

The US Supreme Court ruled that a jailed Irish Republican

Army fugitive Joseph Patrick Doherty, convicted of murder-ing a British soldier, cannot

Computer experts jalled Two French computer experts who stole six computer disks

strolling the daily transfer

of millions of pounds from Bar-clays International bank's

inister Andreas Papandreou,

accused of corruption, will not

he in court today when a 13-member tribunal delivers a

Clash on youth jobs

Britain seems headed for

mother clash on social policy with its European Community partners after the Brussels

Commission proposed EC-wide work restrictions for people

Gallery exhibit smashed

Nec Nazis smashed a sattrical bust of their leader, Eugenie Terreblauche, in South Africa's

national art gallery and threat-ened to blow up the Cape Town-building if it exhibited similar

caricatures again, Six people were arrested.

Bringing the house down

Part of the foyer ceiling and

the Rome opera house during a performance of The Barber

of Seville. Nobody was hurt

World trader The US regards China as the

biggest pirate of US copyright and patents \_\_\_6

Editorial Comments Lleyd's of London, Yugo-

International 3.4 Arts Guide + Reviews : 15 Gold

a chandelier crashed down at

under 18 years old. Page 2 .

each jailed for four years.

Greek verdict today

Former Greek socialist prime

verdict. Page 3

zarters in London were

eek US political asylum.

Bank and Gaza. Page 4

Supergun cisim

tee was told. Page 7

the D-Mark

The British government faced The US dollar continued its acute embarrassment after the disclosure of an internal climb on foreign exchange markets, rising four pfennigs against the D-Mark in hectic armed services report strongly criticising interference by min-isters in the conduct of Britain's role in the Gulf cammorning trading in London and holding on to most of the gains through the afternoon. paign a year ago. Page 16; Irri-tant to Bush, page 4 At the London close, the dollar was up more than 3 pfennigs against the German cur-rency at DM1.622. Sterling lost The European Community more than 31/2 cents against sealed the formal end of the Yugoslav federation by recog-

the dollar, finishing at \$1.756. Currencies, Page 34; Lex, Page 16; Investors brush aside gloom, Page 6 nising Creatia and Slovenia as independent states. But it put off extending recognition to the other breakaway repub-lics. Page 18; Editorial Com-WEST GERMANY'S economic growth rate slowed to a real 3.2 per cent last year under the impact of unification and recession in export markets.

US spy jet missing A US Air Force U-2 reconnais-AIRBUS INDUSTRIE: A row over subsidies to the European sance jet was missing and pre-sumed lost with its pilot off the coast of South Korea. But aircraft consortium is set to there was no evidence of hosintensify after a confidential tile action against the aircraft, report by a General Agreement the Defence Department said. on Tariffs and Trade panel condemning German exchange rate support for Dentsche Air-bus, the consortium's German Coke goes Russian

partner. Page 16 ASDA, struggling UK super-market chain, reported an interim pre-tax loss of £68.8m Coca Cola after falling operating profits, a mounting interest bill and

a string of exceptional charges. Page 17; Lex, Page 16 CHINA took another step towards a western-style capital market when the Shanghal Stock Exchange announced the first public offering to foreign investors of shares in a

Chinese company. Page 15 ISRAEL'S inflation rate for 1991 was 18 per cent, less than leared at mid-year after a collapse in house prices in the last quarter. Page 4

**FORD** and General Motors announced record sales in western Europe for 1991, help-ing to offset sharply deteriorating market performances and heavy losses in north America Page 18; GM joint venture in China, Page 6

**HENKEL**, German chemicals and consumer goods maker, about 8 per cent, but net profits are expected to be about the same as 1990's DM429m (\$271m), Page 18

RRITISH GAS will not have to undergo a far reaching investigation by the UK Monopolies and Mergers Com-mission after the government intervened in the row betwe the company and its regulator. Page 16 and Lex

OLIVETTI. lossmaking Italian computers and office equip-ment group, disclosed a decline in 1991 sales of about 5 per cent to L8,600bn (\$7.17bn). Page 18

PORSCHE, German sports car manufacturer, has cut its divi-dend after a steep slide in profits caused by recession-hit for-eign markets and high provisions for job cuts.

Page 18 FRANCE'S inflation rate fell to a provisional 3.1 per cent last year, the first time in two decades it has sunk below the rate in western Germany.

INDIAN industry is in a sharp recession with manufacturing output declining 1.9 per cent in the first half of 1991, and little indication of any

improvement. Page 4 AMERICAN AIRLINES, one of the largest US carriers, prompted a rally in US strline stocks when its parent com-

pany, AMR, suggested ticket prices were firming despite the company's \$239.9m net loss in 1991. Page 20

FIRST LEISURE, discothèque chaired by Lord Delfont announced pre-tax profits up 4 per cent to £30.4m after what it called the most difficult year since the company was founded in 1983. Page 24; Lox, Page 16

Thursday January 16 1992 Bush promises wide-scale health care reform

By Lionel Barber in Exeter, New Hampshire

PRESIDENT George Bush hit the campaign trail in New Hampshire yesterday with a one-day trip to the state where pledge that his State of the Union address to the US Con-gress later this month would include details of a comprehensive plan to reform health care. Mr Bush, seeking to reverse the slump in his popularity, said the plan would be part of a growth package to revive the US economy, but he vowed to avoid "quick fix solutions" and focus instead on long-term

measures to promote invest-

he faces a critical first primary election test on February 18. Mr Bush had hoped to defer unveiling proposals for health care reform until after the November election, but the

Democrats have turned it into a big campaign issue. Mr Bush has been wounded by criticism that he is paying too much attention to foreign affairs and not enough to prob-lems at home, such as the 35m

Americans who have no health

insurance.
Without offering details of his plan, Mr Bush said it would not lead to increased federal spending on health care entitlement but would "bring protection to Americans without insurance. One option believed to be under review is a health care tax credit for lower income groups, with a means test applied to wealthier

Mr Bush manfully tried to respond to his critics yesterday, casting himself as a man of the people and not the patri-cian portrayed by Mr Patrick Buchanan, his Republican opponent in the New Hamp-

shire primary. Mr Buchanan, a former speech-writer to presidents Nixon and Reagan, is a right-wing pugilist who seems to be drawing support in this fiscally conservative state. During his face-to-face meetings with voters yesterday, Mr Bush ate plenty of humble ple as he heard criticism about his handling of the economy. Although he stressed that interest rates were low and said this would boost the economy, he admitted he had made mistakes in forecasting an early turnround.

"I will accept the blame," he said, though quickly adding that 49 out of 50 blue-chip economists had also made the same mistake last year.

The economic downturn has

left New Hampshire as one of the hardest-hit states in the

the unemployment rate. Five of the top banks have failed corporate bankruptcies have soared and property prices are barely two-thirds of their value in 1988, when the state was booming.

D 8523A

Mr Bush started the day at Pease air force base, which is scheduled for closure with the loss of more than 3,000 jobs. Continued on Page 16

Bush's Gulf irritant, Page 4 union. More than 50,000 jobs

Economic programme is in jeopardy, adviser warns

# Power battle 'may destroy' Russian reform plans

By John Lloyd in Moscow

RUSSIAN economic reform could be destroyed "within weeks" if the power struggle within the Russian leadership is not resolved in favour of the cabinet of ministers, the chief foreign adviser to that cabinet said yesterday.

Professor Jeffrey Sachs of the US, who works closely with Mr Yegor Gaidar, deputy prime minister in charge of economic reform, said in an interview that "it is fair to say that there is a power struggle, and on it depends the success of the reform programme". He blamed the Russian cen-

tral bank's credit policies for the disastrous state of Russian finances and said the bank had refused government and International Monetary Fund officials access to its books.

"The West must understand what is happening. If the strug-gle is not resolved in favour of a tight monetary policy, then the programme is in jeopardy. The issue is very urgent - it is a matter of a few weeks," he

Prof Sachs was speaking against a background of rising opposition to the price and other reforms which began with the new year. Mr Ruslan Khasbulatov, chairman of the Russian parliament, has called for the government to resign and for President Boris Yeltsin to "stand aside" as head of the

cabinet of ministers in order to safeguard his presidency. At the same time, Mr Georgy Matiukhin, chairman of the central bank, has strongly criticised the western advisers,

including Prof Sachs.

Prof Sachs said that "the Bank has not merely been a passive player in issuing credit to cover the budget deficit. Over the past year it issued hundreds of billions worth of credits to commercial banks and enterprises at an interest rate of 6 per cent - an absurd rate at a time of high infla-

tion... Even now it has no policy on credit for this year".

The west had so far barely supported the "courageous actions" of the Russian government. Prof Sachs said next week's conference in Washingten on humanitarian aid to the Commonwealth of Independent States must be expanded to include urgent consideration of

"I estimate that the west must give between \$15bn and \$20bn this year - \$5bn in humanitarian aid, \$6bn to support the balance of payments and \$5bn as a stabilisation fund for rouble convertibility. The proposed agenda for the conference failed to take account of the economic realigovernments and banks pulled Continued on Page 16



Taxi drivers gather in St Petersburg yesterday to protest at fare increases imposed by the Russian government

# Lloyd's launches reform proposals as losses mount

By Richard Lapper in London

LLOYD'S of London yesterday unveiled one of the most far-reaching reform programmes in its 300 year history which could sharply reduce the importance of unlimited liability on which the insurance

market is built. The reforms come as Lloyd's faces some of its worst ever trading losses - an estimated 62bn-plus (\$3.6bn) in the three

years to 1990. However, the proposals, drafted over the past year by a 14-strong task force, contain little to relieve the position of those "Names" who have borne the have borne the brunt of the market's losses. The Names are the individuals whose wealth provides

the market's capital. The Lloyd's Council, the market's governing body, has accepted the bulk of the report's recommendations and will act quickly to implement a number of the task force's

The first of the reforms, modifying unlimited liability rules, is expected to be introduced next January. This would cap the losses for which Names, who can be personally bankrupted under the present system, are liable:

Names will be personally liable for all losses over a fouryear period up to an amount equivalent to their overall premium limit, the amount of pre-A Name accepting £500,000

miums they are allowed to accept under Lloyd's rules. in premiums, for example, would be liable to pay insurance losses up to this amount. Losses above the individual's limit would be payable from a central fund financed by contributions from all Names. However, if this fund were to be exhausted, liability would

revert to the individual. The task force believes this could make Lloyd's a more

attractive investment for nev Names and help stem the decline in Lloyd's membership that has taken place over the past few years. Over 4,000 Names have left

Lloyd's in the last 12 months, reducing membership to about 22,500 and cutting £1bn from the market's capital base.

Apart from the unlimited liability changes, other proposals

• The introduction of a system allowing less well-off Names to spread their invest-ments more widely, diversify-

 Measures to increase Lloyd's ablity to draw corporate capital into the market. The task force suggests that Lloyd's should press for legislative changes to allow "corpo-rate names" to underwrite at

 A charter of rights for Names giving them the ability to hold regular meetings of the syndicates in which they are grouped, direct access to syndi-cate information and the right to veto major transactions.

Mr Mark Farrer, the chairman of the Association of Lloyd's Members, which represents 9,000 Lloyd's Names, said "the proposals go a long way towards correcting the imbalance between Names and syndicate management. They are a blueprint for genuine change and progress"

Mr Tom Benyon, of the rival

Society of Names, complained that the report had done "nothing to help" the badly hit

Background, Pages 8 and 9; Editorial comment, Page 14

# Talks between AT&T and Cable & Wireless falter

By Hugo Dixon in London

THE PROSPECTS of a global alliance between AT&T and Cable & Wireless have receded following the failure of negotiators from the US and UK telecommunications groups to make progress in talks last

But executives remain hopeful that a deal at least involving the US telecommunications giant taking a minority stake in Mercury Communications, C&W's UK subsidiary, can still

One reason a deal has yet to be finalised is that AT&T is concerned that UK telecommunications regulations may change if the Labour party, currently in opposition, wins the general election. It is understood to be considering postponing any action until after the election.

Another issue is that it has not been possible to agree whether an alliance between the two groups should cover only Mercury, the whole of Europe or markets in other parts of the world. C&W wants a wider agreement than just than £100m in annual profits the UK. Expectations in the City that

a deal is imminent - which have driven C&W's share price to a record closing high of 625p last night - seem unlikely to be fulfilled. But executives helieve it is possible talks could begin again in the next

The central element of any deal would be the acquisition of part of Mercury - perhaps a quarter to a third for around £ibn (\$1.79bn) — by AT&T. The US group would also agree to invest in Mercury to build it up into a more formidable compet-itor for BT, formerly British

One of the main attractions to AT&T of any deal would be the prospect of being able to operate a telephone service on both sides of the Atlantic, instead of having to hand over most of its UK calls to BT in the mid-Atlantic. However, such a move would probably be viewed as threat-ening by BT, which earns more

on transatlantic calls. BT might therefore feel it had to respond by linking up with one of AT&T's main rivals in the US such as MCI so that it could also operate on both sides of the ocean.

The negotiations between AT&T and C&W, which have been taking place in the US and the UK since last September, have been complicated regulatory consider

The UK government still holds a "golden share" in C&W preventing any single shareholder owning more than 15 per cent of the company.

Many of C&W's franchises around the world – which include Hong Kong – could also be reviewed if ownership of the parent company was to

C&W intends to form an alliance with AT&T or another nternational telecommunications group in the near future, although it does not wish to lose its independence.

# **OFFERS** WITH REAL CLASS FROM

## CONTINENTAL

FIRST CLASS

FOR THE COST OF BUSINESS CLASS (TO OVER 140 US CITIES

FIRST CLASS

AND YOUR COMPANION GOES FREE (TO OVER 140 US CITIES)

**BUSINESS CLASS** AND YOUR COMPANION GOES FREE

(TO SELECTED US CITIES) Continental Airlines serves over 140 US cities.

There is a daily 747 flight to New York and Houston. and three flights a week to Denver from London Garwick. For full details see your Travel Agent or call Continental direct on (0203) 770464



One Airline Can Make A Difference."

#### ---- Kurdish genie under control



Şuleyman Demirel, now in his seventh spell as prime minister of Turkey, must seek a way of bringing neace to the country's Kurdish region, but it nerve to keep the issue at the centre of his political programme. Page 3

ides 78-27 Commedities 25 Int Capital Letters 25 Commedities 25 Letters 25 Commedities 25 Letters 25 Commedities 6 money 24 Managem -London 27 Technology \_ Unit Trusts -8 Currencies & money 34 Management 5 Editorial Comment 14 Observer 38 14 World Index .

\$1,756 (1,7915) DM2,8475 (2,85) FFr9.715 (9.72) SFr2.5325 (2.5275) Y225.5 (227,25) £ Index 89.9 (90.4) GOLD

\$354.55 (353.9) Brent 15-day \$17.90 (17,675) Chief price changes yesterday: Page 21

New York luncht DM1,6243 FFr5.546 SFr1.44575 DM1.622 (1,5905) FFr5.5325 (5.425) SFr1.4425 (1.4115) Y128.4 (126.8) \$ index 63.4 (62.0) US lunchtime rates

DOLLAR

FT-SE Eurotrack 100 1,140.52 (+27.65) New York luncht DJ Ind. Av. 3,250.57 (+4.47) S&P Comp 420.20 (-0.24)

Takyo: Nikkei 10분% (10분%) Mar 97 4 (Mar 96%)

STOCK INDICES

2,537.1 (+20.8)

FT-A All-Share:

1,208,07 (±0.9%)

FT-SE 100:

#### MARKETS

New York lunchtime: \$1.7585

New York Comex Feb \$354.7 (355.2) N SEA OIL (Argus)

3.922% Long Bond: 105/2

Fed Funds: 318% 3-mo Treasury Bills:

LONDON MONEY 3-month Interbank:

yleid: 7.556%

# Secret talks on dividing Bosnia revived in Zagreb

By Judy Dempsey in Zagreb

THE governments of Serbia and Croatia have revived secret negotiations aimed at dividing up the ethnically-mixed republic of Bosnia-Hercegovina, Bosnian officials said 1991, had been revived to try to yesterday. They warned that any such attempt would lead to terrible bloodshed.

Mr Haric Silajcic, Bosnia-Hercegovina's foreign minister, said Mr Nikolai Koljevic, a prominent member of Bosnia's Serbian Democratic Party, had held informal talks with President Franjo Tudjman of Croa-tia in Zagreb on Tuesday.

"The two extreme wings of Croats and Serbs in Bosnia, which are supported by Mr Tudjman and Mr Slobodan Milosevic [Serbia's president]

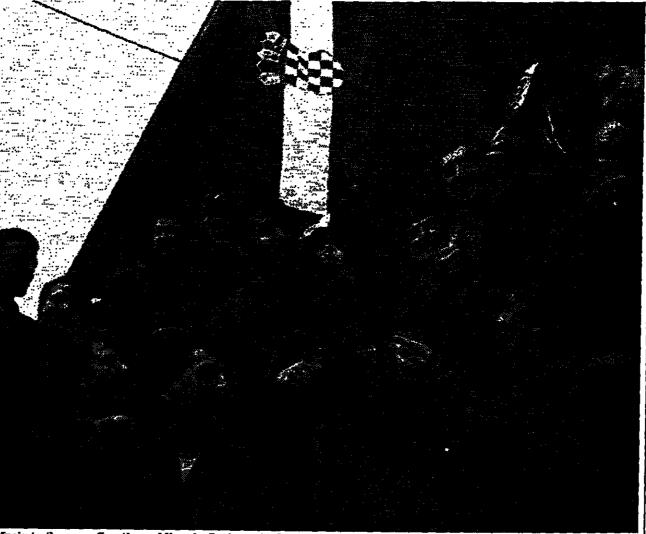
osevic (Serbia's president)
respectively, are trying to
carve up our republic,"
explained Mr Silajcic.
Mr Rusmir Mahmutcehajic,
Bosnia's deputy prime minister, said Mr Tudjman wanted
to revive the districts of 1939 when Croatla included parts of

vestern Hercegovina. Any agreed break-up Any agreed break-up between Zagreb and Belgrade would give Serbia the opportu-nity to link the self-proclaimed Serb-inhabited republic of Kraj-

tiations, first started between the two presidents in March 1991, had been revived to try to shore up the flagging support of the Croat and Serb presi-dents. Nationalists on both sides have become disillusioned because Serbia has failed to quash Croatia's inde-pendence hid, while a third of Croatia's territory is still under the control of Serb militants

and the army.
Bosnia-Hercegovina's 4.3m population is divided between Moslems (44 per cent), Serbs (33 per cent) and Croats (17 per cent). The militant Serbs, led by Mr Radovan Karadzic, a Milosevic ally, could rely on the army – under the control of Serb nationalist General Vladimir Vukovic - in the event of a break-up of the

Mr Alija Izetbegovic, the republic's president, flew yes-terday to Paris with Mr Silajcic for urgent talks with President François Mitterrand on Bosnia's internal problems. Before leaving, he said: "Bosnia-Her-cegovina could not be divided."



Music to the ears: Croatian soldiers in Sunja yesterday, celebrating the recognition of their republic with folk songs

# Banks warn of interruptions in payments on former Soviet debt

By David Waller in Frankfurt

THE banks responsible for servicing the former Soviet Union's debts have told western bankers to expect "tem-porary interruptions" in the prompt payment of interest and repayment of principal in the months shead. At a meeting held in Frankfurt on

Tuesday, representatives of the Vnesheconombank and the Russia central bank explained that despite the likelihood of payment difficulties they had every intention of bringing all payments up to date as soon as the necessary funds were

The news was not as bad as some bankers had expected following

Russia backs

By Quentin Peel in Bonn

yesterday behind a German plan for an international con-

vention to prevent the export

of nuclear weapons technology

to third countries, backed by

sanctions against any would-be

future nuclear power. Mr Andrei Kozyrev, the Rus-

sian foreign minister, gave the

plan his enthusiastic support after talks with Mr Hans-Diet-

rich Genscher, his German

counterpart.
He also issued a plea for an

international programme to

support continuing nuclear

research in the former Soviet

Union - in order to dissuade

the country's scientists from

selling their potentially lethal know-how to the highest bid-

Treaty.
The first part would commit

existing nuclear states to pre-

vent the export of nuclear know-how, while the second part would provide for sanc-

tions against any country

attempting to acquire nuclear

weapons technology, or pro-

duce nuclear weapons mate-

He said the convention should be promoted not simply

by the existing nuclear powers

including the US, Britain and France, but also non-nuclear

powers such as Germany wor

ried about the consequences of

Soviet weapons technology spreading across the globe. Mr Kozyrev also welcomed the existing international

humanitarian aid programme

for Russia, in which Germany

is by far the leading donor.

German

remarks last week by Mr Georgy Matukhin, chairman of the Russian central bank. He said then that Rus-sia would be seeking a full deferral of interest payments at yesterday's

meeting.
This would have meant a serious breach of two separate agreements between the former Soviet Union and its sovereign and commercial creditors in the west.

On December 17, creditor banks meeting in Frankfurt agreed to an arrangement whereby Vnesheconombank would defer repayments of principal on certain types of commercial debt for three months while con-

tinning to pay interest. On January 4, representatives of 17 countries meeting in Paris agreed to a year's rollover of repayments of prin-

cipal on \$3.2bn of sovereign debt.
According to the statement from Deutsche Bank, which is co-ordinat-ing the talks on behalf of western creditors, Vnesheconombank empha-sised on Tuesday that it was not unilaterally suspending interest pay-ments and was therefore not formally abrogating its agreements with credi-

However one German banker said the news meant there had been a sig-nificant deterioration in the former Soviet Union's ability to pay interest in the short time since the original agreements were concluded. "As yet it is unclear when they will stop paying and how much they won't be able to

pay," he said. Vnesheconombank said new procedures to garner hard currency funds to service foreign debt had not yet come into full effect. The former Soviet Union had liquid-

ity problems, the bank added.
According to the Deutsche Bank statement, the committee was informed that "until the new mea-sures were fully operational there may be temporary interruptions in

the timely payment of interest" and certain other categories of debt. The statement said that Vneshecon-

ombank's role as debt manager for the former Soviet Union would not be affected by the transfer of the bank's commercial activities to various Russian banks under a decree passed by the Russian parliament this week.

Mr Matiukhin, the Russian central bank chairman, said yesterday there was no agreement between the republics of aboving the scale.

lics on sharing the estimated \$840n Soviet debt between them and that calculations about individual shares very difficult, almost impossi-

# Court threat to bank secrecy By Simon Gray in Luxembourg

LUXEMBOURG bankers have breached the Grand Duchy's strict banking secrecy legisla-tion to avoid intringing laws aimed at preventing the laun-dering of drug profits, accord-ing to the defandant in a money-laundering trial.

ey-laundering trial.

Lawyers believe the allegations by Mr Franklin Jurado, a Colombian accused of recycling cocaine proceeds on behalf of the Call drug cartel, could undermine Luxembourg's bard-won reputation as a centre for private banking.

That reputation partly

That reputation, partly founded on the country's tradition of banking secrecy, was shaken last year when the Luxembourg-registered Bank of Credit and Commerce Internation al (BCCI) collapsed following the discovery of massive

fraud. Mr Jurado claims a number of Luxembourg banks contacted investigators to voice their suspicions about his

transactions. He has lodged a complaint because under Lux-embourg law banking secrecy can be lifted only once an can be inter only once in investigation has begun. In the course of Mr Jurado's trial, an official of Credit Lyon-nais, the French bank, has admitted that he and members

of the bank's audit department met Luxembourg authorities in December 1989 to discuss their client's activities. Mr Plerre Kohnen, the investigating officer, told the court that "between seven and nine" Lux-embourg banks volunteered information on Mr Jurado's transactions, and said bankers often contacted detectives about suspicious funds or

The allegations may arise partly from confusion about Luxembourg bankers' legal rights and obligations. Legisla-tion was introduced in July 1989 which obliges banks to refuse suspect business.

#### Poland's deficit battle

By Christopher Bobinski in Warsaw

POLAND'S economic situation was much worse than he was much worse than he expected before taking office Mr Jan Olszewski, the Polish prime minister, said yesterday. Appealing to parliament's upper chamber to pass the first quarter budget provisions, the newly-appointed leader added: "Maybe I wouldn't have taken on this responsibility if I had known what I know now." Speaking on the eve of a

Speaking on the eve of a threatened one-day protest strike by members of the for-

mer communist trade union Mr Olszewski warned that even after cuts aimed at reducing the deficit target to Zi 17,500m (2890m) the real budget out-turn could be overwhelmed by the volume of overdue 1991 payments. These could add another 22,0,000m. In an attempt to bring the deficit under control the government has cut energy subsidies and reduced unemployment pay, setting off a wave of labour unrest.

#### UK set for new social policy clash inflation

By David Buchan in Strasbourg

BRITAIN last night seemed headed for another clash on social policy with its European Community partners after the Brussels Commission proposed EC-wide work restrictions for

people under 18 years old.

The draft directive, which
Brussels proposes should be
adopted by a majority among
EC governments, would bar
children under 15 from most regular work, except for instance in entertainment or delivering newspapers. For those under 18 it would ban overtime and most night work. But Europe's teenagers will still be able to undertake certain types of light or irregular work, including work at harvest time and night work in restaurants and bakeries.

EC officials said the main impact would be felt in southern European countries and Britain, which in 1989 repealed certain work restric-tions for 16-18-year-olds, including some provisions of International Labour Organisation conventions that the UK had

earlier signed.
UK officials said the main problem for Britain would be the working time restrictions for youths of 16 years and older, who, since the 1989 UK Employment Act, were treated as adults, while the Commission plan went wider than cur-rent legislation in protecting minors from physically risky

WOTE.

Brussels yesterday proposed measures to try to stop art thieves and smugglers exploiting the planned abolition of internal EC border checks by the med of this person.

the end of this year.

The proposal would create a common export licence for designated national treasures leaving the Community, and a system allowing one EC state to recover stolen art works from another.

from another.

The draft directive will not secure the return to Greece of the marble friezes taken by Lord Elgin from the Parthenon in the 19th century and now in the British Museum as it only applies after December 31 1992.

# Further fall in French

FRANCE'S inflation rate fell to a provisional 3.1 per cent last year, the first time in two decades it has sunk below the rate in west Germany, writes William Dawkins in Paris.

William Dawnins in Faris.
The figure compares with 3.4 per cent in 1990 and this year's 2.8 per cent target, and puts France well below the 4.5 per cent average for its nine main trade partners. The German inflation rate rose by 4.2 per cent last year, fuelled by stiff needed to fund reunification. The figures, released by the însée state statistics institute, are the latest vindication of the anti-inflation policy supported by government and opposition

Spain hits target

for almost 10 years.

Spanish inflation rose just 0.1 per cent in December to bring inflation for the year to 5.5 per cent – the government's tar-get, writes Peter Brace in Mad-rid. The figure means inflation is down a full point compared with the end of 1990.

The Financial Times (Europe) Later Published by The Financial Times (Europe) Ltd., Frankfurt Branck, Nihelunganplatz 3, 6000 Frankfurt-sus-Main I: Telephone 49 69 156850; Fax 49 69 5964481; Telex 416193. Represented by R. Hugo, Frankfurt/Main, and, as members of the Board of Directors, R.A.F. McClean, G.T.S. Damer, A.C. Miller, D.E.P. Palmer, London Printer: DVM. GmbH-Harriyet International, 607th, Neu-isonberg 4, Prankfurt, Responsible editor: Richard Lambert, Financial Times, Number One Southwark Bridge, London SE1 9HL. The Financial Times Ltd., 1992.

Registered office: Number One. Southwark Bridge, London SEi SHL. Company incorporated under the Issue of England and Wales: Chairmany D.E.P. Palunes: Main shareholders: The Financial Times Limited, The Financial News Limited, Publishing directors: J. Rolley, 168 Rus de Rivoli, 75044 Paris Codes, 168 Rus de Rivoli, 75044 Paris Codes, 161. Tel: (01) 4297 0521; Fax: (01) 4297 0529, Editor: Richard Lambert Printer: SA Nord Echair, 15/21 Ruse de Caire, 59100 Roobaix Cedex I. ESSN: ESEN 1148-2753. Comunication Paristaire No 67808D.

Financial Times (Scandinavia) Vinancialades 42A, DK-1161 Copenhages-K, Denmerk, Telephone (33) 13 44 41. Fex (33) 935335.

THE WAY

# Ukraine takes dim view of colourful coupons

out fresh coupons each month without an effective system for

Mr Soros is also critical of

the one-to-one official

exchange rate between the rou-ble and the coupon and the lack of a distinction between the two currencies in govern-ment accounts, even though

By Chrystla Freeland in Kiev nuclear plan

FROM peers to peasants, the

verdict yesterday was that with its first economic steps the government of newly indeient likraine has on its face. High-powered foreign advisers and locals grumbling in shop queues agree that the January 10 introduction of cou-

pons parallel with the faltering rouble is exacerbating inflation without the palliative effect of genuine monetary reform.

Notwithstanding their bright

colours and a picture of Kiev's historic St. Sophia cathedral, the coupons are such an obvious misstep that they seem likely to provoke a radical re-shuffle of the largely ex-Com-munist cabinet members who

der.
The plan was spelt out by Mr
Genscher as a two-part convention to complement the Nuclear Non-Proliferation

Its political muscles

By Nail Buckley in Moscow

FEARS that the Soviet army may emerge as a powerful political force in the former Soviet Union increased yester-

day with news that 5,000 offi-

cers and servicemen are to hold a special conference in Moscow tomorrow. The aim is

to "discuss urgent problems of the state of the armed forces

and ways of preserving their

The collapse of the Soviet Union has left the 3.7m-strong armed forces without a clear

role, facing a large reduction in size and possible break-up as individual republics attempt to establish their own armies.

There is already considerable discentent approach adjustent arms and a secondary considerable discentent among solutions.

able discontent among sol-

diers, many of whom are liv-

Soviet army flexes

introduced them.

introduced them.

"It is an inconcelvably stupid system," says Hungarianborn financier Mr George
Soros, in Klev to advise the

"It is an inconcelvably stupid system," says Hungarianborn financier Mr George
Soros, in Klev to advise the

"It is an inconcelvably stupid system," says Hungarianborn financier Mr George
Soros, in Klev to advise the

"It is an inconcelvably stupid system," says Hungarianborn financier Mr George
Soros, in Klev to advise the

"It is an inconcelvably stupid system," says Hungarianborn financier Mr George
Soros, in Klev to advise the Ukrainian government. "The dying, moribund Communist apparat is trying to introduce monetary reform, and it is an absolute disaster."

in an effort to protect the relatively well-stocked Ukrainian market from the full impact of Russian price increases, each Ukrainlan resident was issued with between 200 and 400 coupons, depending on salary. Once the system is in place, at least 25 per cent of wages are to be paid in coupons, which are the only curposes, which are the only curposes, while for the purphase of

ing in tents and facing unem-ployment after being with-

nawn from Europe. This has provoked wide-

spread fears of a military coup, or at least of the army's

coupons give priority to scarce This loophole, he said, "is an invitation to large-scale arbitrage and is responsible for the steep fall in black market rates rency valid for the purchase of for coupons. Initially, coupons

getting them back

Acknowledging the failure of

the rouble/coupon system, President Leonid Kravchuk mounced this week that on March 1 coupons would become the only currency valid in Ukraine. Mr Soros believes this measure would make the best of a bad situation, but he thinks the government should introduce a new currency as soon as possible, preferably in March or April.

The inept introduction of coupons has provoked public

sold for ten roubles, but now one of Ukraine's advisers, five days into the reform the believes that it is not just indistreet value of coupons is down viduals but also government for Ukraine's inability to implement defective reforms He is particularly critical of

the rivalry between the parlia-ment, the president, and the cabinet ministers, which often paralyses the state.

• Ukraine has set up a new bank to pay the republic's share of the foreign debt of the former Soviet Union and handle foreign economic relations, Moscow Radio said yesterday, Reuter reports from Moscow. The new bank will take over

protests and encouraged political attacks on the government. Sir Geoffrey Howe, another

#### the activities of the Soviet for-eign trade bank, Vneshekonombank, in Ukraine. Coca-Cola says offshoot will be first US-owned Russian venture

By Alan Friedman in New York

COCA COLA will today unnounce in Moscow the formation of Coca-Cola Refreshments-Moscow (CCRM). It claims CCRM is the first private sector joint stock com-pany in Russia that will be

playing an increasingly domi-nant role in politics.

"Such a large gathering of generals and marshals in the country's principal conference majority controlled by a US multinational corporation.

The new company will manufacture soft drink syrups as well as control a retail distribution. hall officially turns the army into a powerful independent political force," the Moskov-skil Komsomolets newspaper commented yesterday. tion network, which will begin operations in 18 months with 400 kiosks in the greater Mr Dmitry Volkogonov, a military adviser to President Boris Yeltsin and a former general, said: "The army is a very large force and the stability or otherwise of the country largely depends on it."

Moscow area. The ultimate target is 2,000 retail outlets.

Mr Neville Isdell, president of the Coca-Cola division that covers eastern Europe, said the significance of the Moscow company is that for the first time we will have a fully inte-

grated system for consumer goods, all the way through to the individual consumer. Coca-Cola will own more than 95 per cent of the shares in CCRM. The remaining shares will be held by Profes-sor S.N. Fyodorov, a Russian

Coca-Cola's initial capital investment of \$12m (£6.7m) is small, but Mr Gavrill Popov, the mayor of Moscow, said the investment should stimulate economic activity. He said it would "attract additional international investment and would signal to others that the City of Moscow is ready to do busi-

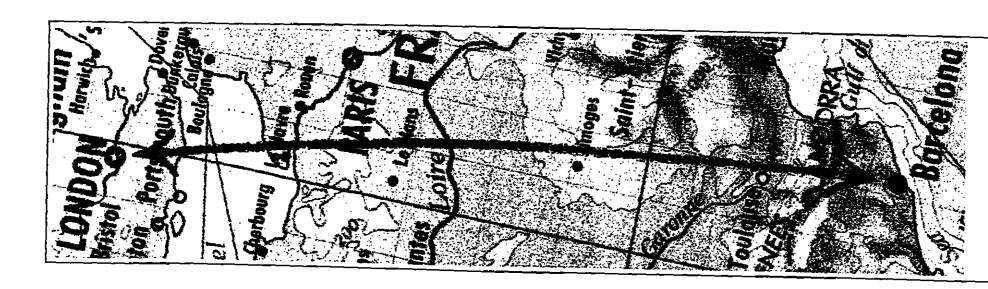
Pepsi-Cola, the second larg-est US soft drinks company, sells its product by licence

agreement with some 40 state bottling companies. Mr Christopher Sinclair, president of Pepsi-Cola, said the company was negotiating new joint ven-tures in the former Soviet Union, including a resin fibre producing venture in Belarus that would manufacture plastic bottles.

The first Coca-Cola product available in the Soviet Union was Fanta Orange in 1979. Soviet state bottling companies began making Coca-Cols in 1985.
Mr Isdell said Coca-Cola

would provide the new retailing force with equipment, training and management

The ascent of Everest, Page



# Barcelona twice daily bar Sundays.

We leave Gatwick at 19.00 daily and 10.10 every day except Sunday, landing under two hours later. For

details of this and our flights to Florence call your travel agent or 071 839 2222. Meridiana

lour Private Airline

eat

contacted for all contacted fo

TO THE STATE OF TH

tien cett

t his out se

Nation: · mal Upr

at all a leg

: ...scale

Danklesek THE COMMENT. 7 W 25

1711 12(2)

e becabi F4(P) (8) 52

arthers by

to Stroke

the part

21 of 1:

hits top

11.356 100

the fill

rug 🏗

ş:::14 **13 3** 

194) 1941

・ はなるとう ・ はなるとう ・ はなるとのできる。 ・ はなるとのできる。 ・ はなるのできる。 ・ はなる。 ・ はな。 ・ はなる。 ・ はなる。 ・ はなる。 ・ はなる。 ・ はなる。 ・ はなる。 ・ はな。 ・ は

A ALL DESCRIP

rights. A key part of the char-ter relates to the treatment of national minorities.

The problem has also the debete has moved on, but Mr Suleyman Demirel, now in his seventh spell as prime minacquired an added interna-tional dimension following the Gulf war and the allied relief ister, still must seek a solution to bring peace to the country's Kurdish region. It will require a steady nerve to keep Kurdish reform at the effort to help the Iraqi Kurds. Attention has inevitably focused on the shortcomings of Turkey's treatment of its own to keep Kurdish reform at the centre of his political programme. It will be particularly difficult to convince some hard-line colleagues in Ankara of the need for magnanimity. But no one doubts the urgency of the situation.

New premier Suleyman Demirel will need steady nerves in dealing with Ankara's rebellious minority, says John Murray Brown

official put it at the time: "The Kurdish genie is out of the bot-

10m Kurds. As one Turkish

Mr Demirel is a stubborn politician and his path, will be strewn with hazards. But he may have a personal motive to push for reform; certainly there is little domestic elec-toral mileage in the issue. Having been twice custed by the military, he may feel he has something to prove to secure his place in history. At 68, he will probably never get

His foreign minister, Mr Hik-met Cetin, is of Kurdish origin. So is Mr Mehmet Kahraman, who heads the newly established Ministry for Human

Turkey is committed, at least legally, to some form of democratic reform as a signatory to the 1990 Paris Charter,

coalition between Mr Demirel's True Path Party and the Social Democrats (SHP) - may come to find human-rights reform the easiest policy to implement, given mounting difficul-ties with the economy.

Perhaps more significant, for the first time, the Turkish parliament can provide a forum for extreme Kurdish opinion, after the election of 22 radical deputies on the SHP ticket. Mr Demirel is aware of the

danger of pressing ahead without broad party support: his argument is that it is in the interests of all Turks to support civil reforms, rolling back the authoritarian constitution inherited following the mili-tary coup of 1980. He says that

Kurdish reform is inseparable from broad democratic reform. Nevertheless, there will be fireworks in parliament. An unholy alliance opposed to reform has already emerged between conservative and left-wing nationalists. On the other hand, Mr Demi-

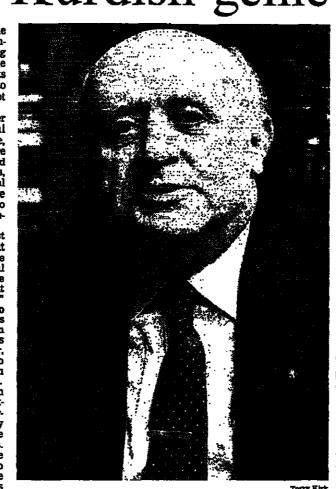
demands of Kurdish intellectu-als. Even official support for the study of the language –

one of the proposals of the Paris accords - remains controversial. As for devolving administrative powers to the Kurds, which some diplomats now believe is the only way to save the situation, this is not even being discussed. What Mr Demirel does offer

is legal and institutional change, to stamp out torture, cut detention periods where most police abuse occurs, and discipline the security forces, particularly the hated special forces whose job it is to take the fight to the PKK, but who have too often used this mandate to terrorise local people. The prime minister must

have been greatly heartened at the warm reception when he visited the provincial capital Diyarbakir last month, where he called the "Kurdish reality." His immediate task is to keep the coalition together. His SHP partner already faces an awkward party congress this month, and the party's leader, Mr Erdal Inonu, will have to contend with outright rebellion from radical Kurdish deputies.

Short-term, the crisis can only deepen if the security situation deteriorates when guerrillas, as is probable, greet any reforms with further violence in a bid to provoke reprisals rel's programme will almost certainly fall short of the But one thing is certain. The longer Mr Demirel waits to implement real change, the more intractable Turkey's Kurdish problem will become.



Suleyman Demirel: Path strewn with hazards

# Gibraltar to re-elect nationalist leader

By Tom Burns in Gibraltar

are today expected to overwhelmingly re-elect as chief minister Mr Joe Bossano, the nationalist politician who has steadfastly boycotted negotiations between Madrid and London over the future of Britain's disputed crown colony.

Opinion polls indicate that Mr Bossano's Gibraltar Socialist Labour Party (GSLP) could win more than 70 per cent of the votes, up from 58 per cent in 1988. The GSLP is certain to retain its eight seats in the 15member House of Assembly, the maximum allowed under Gibraltar's electoral rules.

Mr Bossano's popularity reflects both the marked improvement in Gibraltar's infrastructure, particularly in housing and essential public services, during his four year term and his uncompromising opposition to any deal with Spain that would threaten Gibraltar's constitutional arrange-

Mr Bossano blocked a 1987 agreement between Spain and the UK on the dual use of Gibraltar's airport, a move that subsequently excluded Gibraltar from the EC's air liberalisation process. Mr Bossano has also refused to attend bilateral talks between Spain and

His stand has tested the

GIBRALTAR'S 14,000 voters patience of London and Madrid and has delayed agreement on the EC's External Frontiers Convention, which entry points into the Commu-nity. Spain refuses to consider Gibraltar as an EC entry point unless there is agreement on the use of its airport and the UK has signalled it will not ratify the convention if Gibral-tar is excluded from it.

reduced its dependency on the UK over the past four years. Britain's Defence Ministry. which used to account for 45 per cent of Gibraltar's revenues, now contributes around 15 per cent, and Gibraltar is busy marketing itself as a

financial centre. In an ill-tempered campaign, the main opposition party, the Gibraltar Social Democrats (GSD), accused the GSLP of a "secretive and dictatorial style of government and claimed the population was "gagged by fear of reprisal and intimidation". Mr Bossano in turn has accused the GSD of being "soft on Spain" becau it is prepared to attend talks on the future of the colony.

Opinion polls suggest that the GSD, which is identified with the colony's financial sector, looks unlikely to gain more than 25 per cent of the

# Verdict in Papandreou corruption case today

By Kerin Hope in Athens

The habits of violence are deeply rooted in Turkey's impoverished south-east prov-

inces. More than 3,000 people have died in the seven-year

conflict between the security

forces and the Kurdish Work-

ers Party (PKK), which is fight-

ing for a separate state. The military is conducting air and ground operations against rebel positions in the Cudi mountains near the fraq hor-

der. No casualties have been

In separate clashes yesterday

eight people died - six of them guerrillas, the others a police-

man and a soldier.

MR Andreas Papandreou, the former socialist prime minister accessed of corruption, will not be in court today when a 13-member tribunal delivers a verdict in what the Greeks call

"the mother of trials."

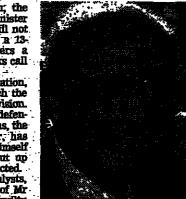
Like the rest of the nation. proceedings live on television. However, his main co-defen-dant, Mr Dimitris Tsovolas, the former finance minister, has threatened to barricade himself inside parliament and put up violent resistance if convicted.
According to legal analysts,
there is little likelihood of Mr

rance is into incomo of ar Papandreou being found guilty of taking a bribe and receiving the proceeds of a crime.

The bribery charge collapsed early in the 10-month-long hearing when if was revealed that a bank foreign exchange transfer of DM250,000 (528,000), allocadly used by My Papara. allegedly used by Mr Papandreou to cover expenses arising London in 1988, had no connection with the socialist leader.

The second charge that Mr
Papandreou funded his Panhellenic Socialist Movement (Pasok) with some of the \$200m embezzled from the Bank of Crete by its owner, Mr. George Koskotas, was based on a docu-ment rejected as a forgery by a team of graphologists.

However, a breach of faith charge sgainst Mr Psoemdreon, holding him responsible for the scandalous state of public fluances during his government's final days, could be upheld Nobody in Greek political life expects the 72-year old exprime minister, whose health is frail, to be jailed. But even a suspended sentence could revive the bitter political



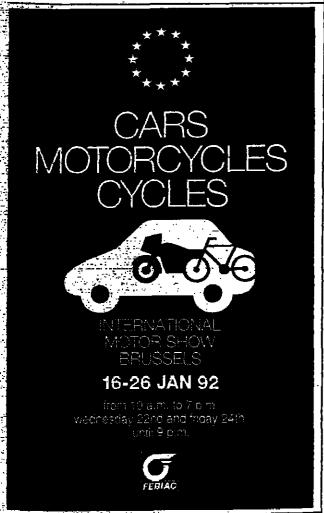
Papandreou: denials

divisions of the 1980s.

Mr Akis Tsochatzopoulos, Pasok's secretary general, yes-terday ruled out the possibility of violent political confronta-tion if the decision goes against Mr Papandreon. He : "Pasok Will voi tion in parliament and in society in a constitutional way." Some prominent conservatives now admit the rush to

prosecute Mr Papandreou and three socialist former cabinet ministers was over-hasty. "After eight years of high-handed socialist rule, the conservative grass-roots were baying for revenge," said one.

Mr Papandreon's political future may be decided today. If convicted on charges he stead-fastly denies, Pasok supporters will forget their criticism of his autocratic style of leadership and rally behind him. An acquittal, even for lack of evi-dence, would close a chapter of Greek political life, allowing a succession battle in Pasok to begin in earnest.







# DRIVE AWAY A NEW NISSAN MICRA FOR ONLY



# **NOTHING MORE TO PAY**

**☆FREE** Delivery **☆FREE** Number Plates☆ ☆FREE 6 months Road Fund Licence☆ **☆FREE** 3 Year/60,000 miles Manufacturer's Guarantee☆

> At £5,595 on the road the Micra LS costs up to £1,000 less than some of its competitors:

Ford	Fiesta	1.0 Bon	IS :	e di Africa Matan	£6,379*
Peu	jeot 10	LEAX 8		. ; ^ . 3.	£5,625*
Bev	er Metro	T, I Ad	vantag	<b>2</b>	£6,430*
Fiat	<b>Im 45</b>	Formula			£6,480*
Main		Teshar, ;;		. W	

The cheapest Micra on the road from a Nissan Motor G.B. dealer (if you can find one!) will cost you over £700 more.

Special deals and generous part exchange allowances are also available.

There's never been a better time to buy a Micra LS which is available only from the AFG dealer network.

> **NISSAN UK LIMITED** WORTHING · WEST SUSSEX

\*PRICES INCLUDE DELIVERY, NUMBER PLATES AND 6 MONTHS ROAD FUND LICENCE.

#### INTERNATIONAL NEWS

# Baker acts to avert Mideast talks stalemate

By George Graham in Washington and Hugh Carnegy in Jerusalem



estinian negotiators clashed over the issue of Israeli settlements in the occupied territories of the West Bank and

Mr James Baker, US secretary of state, summoned the beads of the peace delegations to see him on Tuesday night and yesterday morning, but the talks seemed to be on the verge of breaking down over the contentious settlements

Mr Baker's intervention was viewed as a surprising last-ditch attempt to prevent a stalemate in the simultaneous bilateral talks which Israel has been holding in Washington this week with Syrian, Leban-ese, Jordanian and Palestinian

While the Arab delegations, in particular, have repeatedly tried to bring the US into the discussions, the State Department has insisted it can act only as a catalyst to the peace process and cannot get involved in issues of substance.

The peace talks had seemed to take a step forward on Mon-day when delegates agreed a formula which allowed Israel to hold separate meetings to discuss Jordanian and Palestinian issues, while preserving its insistence that it would deal only with a joint Jordaniantinian delegation. But after agreeing on what kind of table to sit around, the delegations have failed to make any further progress on what agenda to put on the

The clash in Washington has mirrored the mounting tension in the occupied territories, with the Israell delegation con-demning the violence against Israeli settlers and the Arabs attacking Israel's escalation of

its settlements policy.
Dr Hanan Ashrawi, spokeswoman for the Palestinian del-egation, said: "We told them that there is no way in which negotiations can proceed or succeed while Israeli settlement activity is continuing."

Retorted Mr Yossi Ben
Aharon, an Israeli delegate:
"Unfortunately Dr Ashrawi

and her colleagues speak out of both sides of their mouths." Washington analysts believe that both sides are so severely constrained in how much they can cede without alienating their home constituencies that the best that can be hoped for in the peace talks is, for the time being, that they should not break down altogether. Meanwhile, settlers in the

occupied territories yesterday attempted to establish four new settlements and demonstrated for tougher government action against the Palestinian action against the ratestiman uprising, in protest against a series of attacks on sattlers by Palestinian gunmen in which four Israelis have been killed. The army quickly disman-tled two of the makeshift new than 20 settlers in the process,

and said the other two encator-

# Falling house prices curb Israeli inflation

By Hugh Carnegy

ISRAELI inflation totalled 18 in the last quarter rose less per cent in 1991, less than had been feared and only slightly cent in the third quarter. up on 17.6 per cent in 1990. The biggest single factor was

the surge in housing costs, which rose 28 per cent overall as fears of an immigration-induced housing shortage drove up prices and rents.

But Russian immigrants' reluctance to take on high leverty, and rising availability of new stock arising from a construction boom, abruptly reversed the trend in the last quarter, when house prices fell

4 per cent.
As a result inflation quickly fell back from annual rates approaching 25 per cent, a level which threatened govern-ment efforts to maintain economic stability in the face of large-scale immigration. Prices

Officials are forecasting a further modest cooling in infla-

tion this year.

But the relatively good news on prices also contains some bad news: construction was the main engine of growth last year and this has flattened as the building boom has tailed off There are fears that unem. ployment, already at record levels of close to 11 per cent, will go on rising as more immi-grants enter the job market.

• Bank of Israel officials said yesterday the International Monetary Fund had agreed that Israel met the criteria for a \$250m (£139.6m) loan to compensate for economic losses estimated at \$1bn caused by the Gulf war.

# Manila agrees terms to receive IMF loans

THE Philippines yesterday agreed terms with the International Monetary Fund that incumbents are gearing up for should allow the resumption of a \$900m (£503m) lending pro-gramme suspended last July when Manila falled to meet economic targets, writes Richard Gourlay in Manila.

Mr Jesus Estanislao, the finance secretary, said the two sides had agreed on a target for the central government's budget deficit which was the only unresolved issue from last

week's IMF mission.
Resumption of the programme is still dependent on the Philippines passing tougher revenue-raising measures. Only then will the IMF give its stamp of "good house-keeping" on which a commercial bath doctors and the probability. cial bank debt rescheduling agreement and new international aid commitments

depend.
These measures, including the tightening of VAT legislation, have been passed by the House of Representatives but are yet to be approved by the passage there as many of the

incumbents are gearing up for elections in May. The government also has to push through with the second phase of a power price increase before the \$400m remaining from the IMF facility can be drawn. The IMF agreed to allow a deficit of Pesos 9bn (£200m) this year compared to the Pesos 13bn Manila had

sought and the Pesos 3.8bn the fund had targeted. The finance ministry hopes to have received the good housekeeping stamp by the

end of February.
The fund agreed the increas in order to meet additional spending demands around Mt Pinatubo, the volcano that erupted last year devastating parts of Luzon Island, north of

President Corazon Aquino also yesterday vetoed Senate sals that would have limited the percentage of export earnings going to repay foreign

THE FIRST anniversary of Desert Storm ought to be a chance to cele-brate a brilliantly executed US battle plan which crushed the bulk of the

iraqi army with minimum allied casu-altica. But 12 months after the bombs fell on Baghdad, it is clear that the Gulf war was an incomplete victory. in power. The Iraqi people starve. The Kurds are all but abandoned. The Iraqi opposition remains divided. at George Bush, who appeared invincible nine months ago, has watched his approval rating nosedive in the face of a recession-hit US econ-

vre overs Mr Bush does not face serious political pressure at home to remove Mr Saddam from power, but there is a nagging concern that the deflant Iraqi president (and his nuclear ambitions) amount to a time-bomb in the run-up to the November election. At some point, surely, Mr Bush must defuse the problem or risk detonation.

omy, restricting his room for manoeu-

The trick is how to reconcile the desirable end with politically acceptable means. At present, the administration seems more inclined to pursue multilateral pressure through the United Nations rather than unilateral military action which could leave the president open to criticism that he was engaging in foreign adventures to escape difficulties at home. Both Presidents Nixon and Johnson

played politics with the Vietnam war



A year after the launch of allied bombing of Baghdad FT writers look at the war's aftermath

Incomplete Gulf victory remains irritant to Bush

January 17, 1991: Allied bombers are met by anti-aircraft and tracer fire in the sky over Baghdad

during election years. Yet Mr Bush can put up a plausible case for prefer-ring the use of United Nations sanctions to keep the heat on Mr Saddam, rather than renewed US military

First, UN economic sanctions, while far from 100 per cent effective, create strains within the ruling regime. The frequent purges in Baghdad suggest that at the very least Mr Saddam is being kept off halance, Second, UN propertors are slowed but surely ideninspectors are slowly but surely iden-tifying and destroying the bulk of Mr Saddam's nuclear and unconventional weapons programme. "It's a long-haul strategy," says one US official. The advantage is that the UN gives political cover for the US to ratchet up the pressure. In the coming weeks, UN inspectors may begin blowing up buildings dedicated solely or partially to the Iraqi weapons programme.

If Iraq seeks to block the inspectors, the risk of escalation is high. The Pentagon has drawn up an extensive list of military targets for air-strikes which would almost certainly be accompanied by French and British

option is the use of covert action against Mr Saddam. Reports in Washington suggest that Mr Bush has ordered the CIA to assist opposition groups; but US suspicions about the Shias and Turkish suspicions about the Kurds have made large-scale military aid such as the 1980s programmes to help the Angolan and Afghan rebels a non-starter. Last

Arab predictions of Mr Saddam's imminent fall to come true, Mr Bush ordered a review of Iraq policy. The result was a clear recommendation from the Pentagon that military action in support of an opposition or Kurdish/Shia coup was undesirable unless it was supported by Desert

Storm-size forces in theatre.

The impression, therefore, is that the Bush administration is content to muddle along Micawher-like, hoping that something will turn up. It is not pretty, but the alternatives all appear to be fraught with risk.

to be fraught with risk.

The one serious practical objection is that the UN inspectors are desperately short of money. Over the past six months, the UN teams have conducted more than 25 inspections, uncovering a welter of information about Iraq's nuclear programme and the willingness of western companies to help Baghdad.

The UN inspectors' ultimate aim is to destroy all Iraq's nuclear, chemical, and biological programmes. The cost could amount to \$100m (£55.8m). The original plan was to finance inspec-

original plan was to finance inspec-tions (and much-needed humanitarian aid) from UN-sanctioned sales of Iraqi oil, but Mr Saddam has so far refused

to go to market.
And so the familiar game of cat-and-mouse is under way, with Mr Saddam calculating once again that the West will lack the patience to remain engaged. He may be right; but it is a gamble.

# Vengeful Saddam keeps Arab opponents on edge

Tony Walker on the growing uncertainties afflicting the region

HE surreal spectacle of a larger-than-life Sad-dam Husseln pinning "mother of battles" anniversary medals on the chests of his military commanders would have brought little comfort to his jittery Arab oppo-nents, preoccupied with developments in Algeria and their own domestic problems.

While this week's television theatre in Baghdad, marked by the Iraqi president's claims of "victory" in the Gulf war, might be dismissed as sheer bravado, the episode was nev-ertheless an uncomfortable reminder to his rivals that in spite of everything Mr Saddam lives on.

An Arab proverb, repeated with some nervousness in Cairo these days, holds that a snake is not dead until its head is severed from the body. This melodramatic observation usu-ally precedes criticism of the allies for not doing more to unseat the Iraqi leader when the opportunity presented

Now, a year after the US-led alliance began the assault which liberated Kuwait, the fruits of that victory in Arab eyes seem less appealing. True, Kuwait was saved and Mr Saddam was humbled, but divisions in the Arab world have scarcely been deeper and the future less certain.

Not least, concern in the cap-itals of Washington's moderate

Arab allies stems from the dramatic erosion in Mr Bush's domestic standing, with conse quent fears that a weakened administration would be less steadfast in defence of its friends abroad, and thus less capable of imposing Middle East peace.

Adding to these worries are the activities of the neo-isola-tionists on the Republican

right-wing.
Iraq's official media, reduced
to a whisper by last January's
bombing campaign, now
spends its days gloating about
Mr Bush's misfortunes. Iraqis
are bombarded with negative
images of recession-hit America, implying somehow that life
in Iraq, in spite of everything. in Iraq, in spite of everything, is preferable.

"As we celebrate, with our

heads held high, the first anniversary of the tyrannical 30state aggression against us, Bush .. was touring Asian countries looking for a solution to the economic crisis the US is suffering from," commented al Thawra, the newspaper of the ruling Ba'ath party.
While much Iraqi propaganda is ludicrous, recent visi-tors to Iraq have been struck by the regime's success in rebuilding the country's battered infrastructure, and restoring essential services. The authorities also appear to be making a reasonable fist of providing food rations for the needy, in spite of sanctions and the burden of rising prices; inflation of 30 per cent a month

Predictions that defeat in Kuwait would foment a revolt against Mr Saddam among Iraq's office corps - the favoured scenario of the US and its Arah allies - have not come to fruition, and as the months pass hopes of this happening diminish. The Iraqi leadership appears to have regained some of its poise and is now more visible, although

reports persist of dissension in the ranks, including within Mr Saddam's immediate coterie. The regime has also been obliged to deal with an incipient underground campaign, much like the one that was waged during the Iran-Iraq war by the outlawed al Dawaa Shia fundamentalists. At least one car-bombing – the trademark of the underground group – has been carried out in Bagh-

dad in recent weeks. The military, shattered by its defeat in Kuwait and further run ragged by the Kurdish and Shia revolts following the war, has been reorganised and disci-pline tightened under new defence minister Ali Hassan al-Majid, a cousin of Mr Saddam. The Kurds in the north and the repressed Shia in the south would be drawing little com-

have been warning for weeks that Mr Saddam will use the winter months to drive Kurd ish fighters from towns south of the UN-declared safety zone.
Recent reports suggest that
Iraq has been seeking to
replenish its depleted arsenal
and UN experts, engaged in
uncovering details of the Iraqi nuclear programme, suspect that work continues on efforts to acquire a nuclear capability. In the capitals of Arab states of the anti-Iraq alliance, offi-cials have no doubt that a cials have no doubt that a craving for revenge is never far from an isolated and weakened Mr Saddam. "When the great confrontation took place," the Iraqi president declared pointedly this week, "God decreed that victory once again must go to the Iraqis because they go to the tragis because they follow the path of truth while their enemies follow the path of falsehood."

Recession

in India

deepens

will continue.

By K K Sharma in New

INDIAN industry is in a sharp

recession according to half-yearly figures released yester-day and indications are that it

Figures for the first six months of the financial year show that the decline in the

#### Hyundai to close plants temporarily

By John Ridding

Korea's largest car manufac-turer, announced yesterday it will temporarily close its plants in an attempt to resolve a growing industrial dispute. The decision follows a vote by 30,000 company union members to stage a go-slow in support of claims for higher support in ciaims for inguer bonus payments, better work-ing conditions and the drop-ping of charges against union leaders. It will further heighten the stakes in a test of strangth between management

HYUNDAI Motors, South

strength between management The dispute represents an important test case for Korean labour-management relations

as a whole.
Industrial relations have been improving after three years of widespread disloca-tion and strikes following the introduction of democracy in 1987. Last year the number of strikes fell to less than 240, against 1,610 in 1989.

against 1,510 in 1989.

A spokesman for Hyundal Motors said management had no choice but to shut the plants. "The go-slow is paralysing production," he said, adding he expected the union to end the dispute quickly.

According to the spokesman, the dispute is likely to cost the company 25,000 cars worth

company 25,000 cars, worth \$150m (£83.7m), in January and may cause disruption to exports.

• A senior North Korean diplomat said yesterday his country wanted national unity through confederation with the south, with both retaining their present social systems,

Reuter reports from Geneva.

# Korean war-time memories sour Miyazawa mission

By John Ridding in Secul and Robert Thomson in Tokyo

MR Kilchi Miyazawa, Japan's prime minister, plans to call for a "future-oriented partner-ship" with South Korea, during a visit to Seoul due to begin today. However, several issues stand in his way.

For the past few weeks the Japanese government has been confronted with claims that at least 100,000 Korean women were forced to work in Second World War military brothels, the so-called "comfort women". Tokyo had claimed this was a private enterprise and no docu-ments existed proving a clear relationship between the mili-tary and the brothels.

However, after several documents were produced last weekend supporting the allega-tions. Mr Miyazawa said: "It is undeniable that the Imperial Japanese army was involved in the recruitment of these women and the management of these facilities. I wish to express my apologies and remorse to all those who underwent indescribable suf-

fering."
But the damage had been done, with Koreans feeling insulted by Japan's reluctance to admit responsibility for its brutal occupation of the Kor-ean peninsula.

in Seoul, the Japanese leader will also be under pressure to reduce his country's rapidly expanding bilateral trade sur-plus, although Mr Miyazawa would like to concentrate on He is scheduled to address

the South Korean parliament and plans to suggest the two countries play an important role in solving regional and global problems. The prime minister will have to reassure his hosts that Japan is proceeding cautiously in its talks with North Korea, which is keen to improve economic links with

The bilateral trade deficit a source of increasing concern in Seoul – has expanded greatly since the mid-1980s. In 1991, according to Korean Min-istry of Trade and Industry estimates, the trade deficit with Japan widened to \$8.8bn (£4.91bn), an increase from \$6bn in 1990 and about 90 per cent of Korea's total trade gap. Korean economic officials will request tariff reductions of up to 50 per cent on 16 of Korea's main export items, including textiles and footwear. Korea will also ask for sharp increases in export quotas on chemical and steel products and will demand improved access for Korean construction

companies.
However, officials in Seoul are not too optimistic about prospects for their demands.

"Japan has told us so many times that it will help increase Korean imports, but it never turns words into action," said one official at the Ministry of Trade and Industry in Secul.

They bow over to help the Americans, but they do little for us." he added. A serious obstacle to



An elderly protester pushes a riot policeman blocking her path to the Japanese embassy in Seoul yesterday

improved economic relations is the structural nature of the deficit. In particular, Korean mammacturing companies con-tinue to depend on Japanese components, capital equipment

undertaken in an attempt to offset the impact of rising wage costs through automation and

and machinery.

At a time of industrial restructuring in Korea -

the result has been a surge of imports of Japanese capital Imports of these goods are expected to see further strong

growth this year. And with continued weakness in Korean exports to Japan, South Korea's trade ministry is expecting a widening of the bilateral deficit to about \$100m.

more efficient production

#### manufacturing sector 1.9 per cent, while production in min-ing and quarrying fell 2.8 per Capital goods have been par-ticularly badly affected and their production was down by 17 per cent. Consumer durables were down by 11 per cent, while production of consumer goods fell less sharply by less than 1 Quick estimates of indus-trial production released yes-terday showed that out of 155 industries, only 85 have recorded any growth while the remaining 70 have shown a marked decline in production. The overall fall in industrial production means economic growth is likely to fall short of the modest 3 per cent of gross domestic product forecast by the government for 1991-92. The bad news comes when

the government is preparing to present its budget next month and means that reve-nues from excise duties will fall short of estimates. The finance minister had promised to cut the fiscal deficit to 5 per cent of GDP. This will now be difficult unless expenditure is severely curtailed. The recession is expected to

lead to retrenchment of workers in many industries and the labour unrest that is expected to follow will exacerbate the government's difficulties. Reports in Indian newspa-

pers say that some senior cabinet ministers and members of the ruling Congress party are asking Mr PV Narasimha Rao, the prime minister, act by alowing down his economic

This is because they fear that the 14 per cent inflation rate will rise in the coming months and they have warned the prime minister that this will affect the position of his

minority government.

The government will, however, find it difficult to go back on its economic policies since disbursement of turther instalments of the standby credit of \$2.2bn (£1.2bn) from the International Monetary Fund is demodernt on \$4.00 feet. Fund is dependent on fulfilling performance criteria.

# Algeria reaches into the past to avoid fundamentalist regime

MR Mohamed Boudiaf's decision, at the age of 71, to return to his country from which he voluntarily exiled himself after 1963, to preside over a five-man collegiate presidency until the end of next year, is symbolic of an attempt by senior Algerians to reconcile their country with its tur-bulent history, writes Francis Ghilès in Algiers.

Mr Boudiaf is one of the three surviving "historic chiefs" of the Algerian revolution, the men who launched the fight to rid their country of 132 years of French rule.

That struggle claimed Im dead in a war that not only pitted French against Algerian but also resulted in violent strife within each community. Mr Boudiaf, who has been ada-

mant in his refusal to live under

a military dictatorship, will ostensi-bly lead a "Jemaa", a sort of council of elders which in traditional Maghreb society seeks to settle feuds and maintain the unity and prosperity of the tribe.

However, Defence Minister Khaled Nezzar, the strong man since the annulment of the second round of the elections that were poised to put the fundamentalist Islamic Salvation Front in power, was also a member of the briefly created High Security Council and presumably was a key figure in the dramatic decision to recall Mr Boudiaf .

The ability of Mr Boudial to get on with Gen Nezzar and the Algerian military as a whole, whom he has always distrusted, will be a key factor - unless Mr Boudiaf is to be

Mr Abdelkader Hachani, the FIS leader, yesterday said the new leadership was a coup d'état against the Islamic state, Reuter reports from Algiers. "In truth, the question is a coup d'état against the Islamic state, and not against the president but against the Algerian people," he said. He said that the Constitutional

Council did not have the right to cancel the elections which were

treated purely as window-dressing to avoid a violent split between Islamic and secular Algeria in the wake of the ascendancy of the FIS. Dr Haddam Tedjini, a man who Kafi, who is in charge of the war halls from a highly respected tradiveterans' association and Mr Ali tionalist family and has occupied, among other posts that of ambassa-Haroun, a respected lawyer who occupies the post of minister of

annulled at the weekend. Mr Hachani told a news conference in Algiers that the only legal body now existing was the block of par-Hamentarians elected at the now scrapped poll. He suggested that they could meet and challenge the new lead-ership. Mr Hachani claimed that

the authorities had started a crackdown against FIS militants and had arrested 50 in Algiers. dor to Saudi Arabia, head of the Grand Mosque in Paris and chatr-man of the Family Planning Council, is also a member along with Mr Ali human rights. Algeria today is at the crossroads. Family ties, regional loy-alties and religion are the keys to understanding it. Against the appearance of a mod-

ern state with a progressive ideology, these factors outweigh all others, at street level and in government and are still the real checks and balances in a society which has yet to forge its identity nearly 30 years after gaining inde-pendence from France.

group in the country.

The young Algerians who were educated in the post-1962 parallel system, where Arabic was the medium of instruction, have not

The divisions are only in part between haves and have nots. The fault lines fracture every profes-sional, language, regional and social

been given access to the top jobs in diplomacy or industry.

Furthermore, the lack of freedom in a single party system, whose official discourse denounced the West and heaped praise on everything Arab, also played its part in fostering the idea that a return to tradi-tional Moslem values would purge society of "perverted" Western val-

Reconciling this country with its history, helping it to forge a less confused sense of its own identity is the challenge that Mr Boudiaf and his peers face.

He will need the support of a strong and competent government to enact the painful reforms needed to buttress the liberalisation of the economy and get people back to

pen:

to come

ni carbini in taini indicare cort cort dis in 1 per insi disper-

THE COURT OF THE PROPERTY OF T

# London's Only Nonstop Flight To Detroit.

# Delta Brings Detroit 3 Hours Closer.

If you are going to Detroit, there's only one way to go.

By Delta Air Lines' new daily non-stop service from London, Gatwick.

Our flights leave London at 10.00am arriving at Detroit at 1.35pm.

Flight time is 8 hours and 35 minutes, more than 3 hours faster than any competing service. And we offer continuing service to Cleveland, Ohio. You'll find that time also flies on Delta. We've been first in passenger satisfaction among all major U.S. airlines for 17 years running.\*

And when your plans take you elsewhere, it's reassuring to know that the Delta system can fly you to over 300 cities in 34 countries on more than 4800 flights a day.

Our existing services from London to Atlanta, Cincinnati and Miami, or from Manchester to Atlanta, are but a few examples.

For further information and reservations, see your Travel Agent. Or call us on 0800-414-767.

Because calling anyone else is simply a waste of time.



\*Based on consumer complaint statistics compiled by the U.S. Department of Transportation.

©1991 Delta Air Lines, Inc.

# Investors in US brush aside gloom of the latest figures

Recent statistics are pessimistic but businessmen are betting the economy will rebound in the second half, reports Michael Prowse

suggest that the US economy is weakening rather than strengthening. Yet share prices bound from one new high to

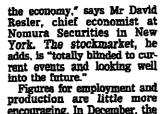
The explanation offered on Wall Street is that investors are betting that the economy, after three years of stagnation, will begin a sustained recovery later this year. Lower yields on bonds and bank deposits fol-lowing the Federal Reserve's aggressive easing of monetary policy before Christmas have also prompted a shifting of cash into the stockmarket. US forecasters' consensus is

that the economy will indeed rebound in the second half of this year. Most have pencilled in growth of about 3 per cent at an annual rate – exactly the forecast they made this time last year for the second half of 1991. The question is whether the optimism will again prove misplaced.

It is certainly difficult to draw any comfort from recent economic statistics. Worsethan-expected figures for retail sales released this week indi-cated that 1991 was the worst year for department stores in at least two decades. Sales fell sharply in December and were revised down substantially for November. Car sales for the first 10 days of January were also down sharply, signalling no early recovery of consum-

"The deterioration in consumer spending in the fourth quarter is a major hurdle for

Alan Greenspan: his boldest move yet



encouraging. In December, the unemployment rate rose to 7.1 per cent, a five-year high. But the rebound did not reflect private-sector strength accounted for by an erratic rise in state and local government employment. Taken as a whole, the fourth quarter showed a marked deterioration in employment prospects.
The Purchasing Managers'

Index - a much-watched guage of manufacturing industry's health - is falling at an accelerating rate. Last month, it fell four percentage points to 46.1, which suggests a contrac-tion of the industrial economy. Industrial production and the index of leading economic indi-cators have also turned down

The evidence so far suggests that production, aithough weak, was stronger than demand in the fourth quarter: inventories rose in both October and November as compa-nies' sales fell short of expectations. Economists are divided on whether gross domestic production was flat or slightly down in the fourth quarter. But the need to bring produc-tion and demand into better balance strongly suggests a

drop in gross domestic product (GDP) in the current quarter. The feared "double dip" recession thus looks a reality. Why has sentiment in the financial markets improved so

noticeably in spite of growing evidence that the recession already the longest since 1945

- is intensifying again?

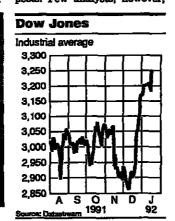
The turning point was the announcement late in Decem-

ber by Mr Alan Greenspan, chairman of the Federal Reserve chairman, of a full point cut in the discount rate to 3.5 per cent, the lowest level in 27 years. This move - the boldest in Mr Greenspan's career - convinced markets that the Fed was determined to revive the economy.

Mr Greenspan testified

before Congress on Friday that he hoped the sizeable mone-tary stimulus now in the pipe-line would prove sufficient. But he added that he was ready to take whatever steps were necessary to ensure a sus-tained economic recovery. Many analysts have interpreted this as a commitment to further interest rate cuts if

growth fails to pick up.
"I'm confident that rates will be cut further," says Mr Neal Soss, chief economist at First Boston Corporation, a New York broker. He argues that Mr Greenspan needs to react not only to renewed weakness of the US economy, but to gathering evidence of a reces-sion in Europe and Japan that could curb US export prospects. Few analysts, however,



rates before February, and some believe that rates are already at, or very near, the The widespread optimism

that the long-awaited recovery really will materialise in the second half largely reflects confidence in the efficacy of monetary policy. The housing market - the sector traditionally most sensitive to interest rates - has not yet shown con-vincing signs of recovery, but many economists believe that it must eventually respond to lower mortgage rates. In recent weeks, homeowners have rushed to refinance loans at the new, lower rates. Lower interest rates are also increas-ing the attractions of investment in consumer durables such as cars and domestic

Optimists stress that compa-nies are seizing a golden oppor-tunity to restructure balance sheets weakened by the debt build-up of the 1980s. Lower build-up of the 1980s. Lower long-term interest rates and strong equity markets prompted record bond and equity issues last year. In theory this should eventually support increased capital investment and the rehiring of workers

The problem lies in judging the time needed for adjust-ment. Each successive year of ment. Rach successive year or economic stagnation increases the likelihood of a recovery. But debt burdens still remain uncomfotably high throughout the economy, while consumer confidence languishes at a near-record trough. The Bush administration, moreover, has done little to address long-term weaknesses such as the US's abnormally low savings rate. Measures in the President's

State of the Union address later this month, while being promoted as a long-run growth package, may lead in practice to even higher fiscal deficits, which is precisely the wrong prescription in the eyes of many economists.

The forward-looking optimism of financial markets is

thus more akin to an act of faith than a considered eco-



Shafik Handal, one of a delegation of five FMLN left-wing guerrilla commanders, arriving in San Salvador. The guerrillas are to sign a United Nations mediated peace accord with the ent of El Salvador in the capital today. Feature, page 20

# Menem aide quits over milk scandal

By John Barham in Buenos Aires

ONE of Argentine President Carlos Menem's most trusted aides resigned yesterday after press allegations that he is a shareholder of a company that sold sub-standard powdered milk at inflated prices to a public nutrition programme for

Mr Miguel Angel Vicco, one of Mr Menem's two private sec-retaries, is also a close friend of the president. He had direct access to Mr Menem and han-dle delicate government mis-sions, as well as the president's private affairs. private affairs.

An investigation led by Página/12, an opposition news-paper, claimed that Mr Vicco and Mr Carlos Spadone, also a government official until forced from office last month,

were partners in a milk-processing plant that sold pow-dered milk to the Ministry of Social Action. Mr Menem had strongly

defended Mr Vicco against the allegations, claiming they were thinly-veiled attacks on the government. Mr Vicco is the second government official to resign this year accused of cor-

On Monday, Mr Miguel Nazur had resigned as head of PAMI, a government health Mr Menem has shrunk from

aggressive prosecution of alleged offenders. He has said: "They have left the government. What more do you want?

# Higher welfare charges blocked by Brazil parties

PRESIDENT Fernando Collor de Mello of Brazil was left isolated yesterday after an emer-gency government bill to increase social security contributions had been rejected by all parties, including those which support the government.

The bill was introduced to cover \$10bm in extra pension payments that the government will have to make accomment. will have to make as a result of a court having ruled that pen-sioners shall be given a 147 per

cent increase.
Unless the government can find a way to raise this money, the payments would threaten to jeopardise its fiscal adjust-ment plans, which will be pres-ented to the board of the international Monetary Fund next Wednesday. The board is due to discuss then a \$2bn stand-by loan for Brazil.

the bill, effected in talks before any vote could take place in Congress, was communicated to Mr Collor in a note signed by all 17 parties in Congress and written by Mr Ricardo Fiura, leader of the govern-

Meeting journalists yesterday, the president warned that the government would not mint money to meet the pay-ments as this would threaten the battle against inflation, which is running at 24 per cent a month.

He said: "One more time, I must make clear that this government is not going to reopen sources of inflation.

The president added, however. "I am open to any sugges-tions as to how we can pay this

The second secon

1777 F. 2 71

E 2-2-7

Ed rigaria der.

Talle and the second

15 14 mars 15

gen state of the second gard to deferre

274 4 4 453

gent Gan eine

The Assessment

at a firm to the

gasin - Court

ga organism der

1 g 1 g 1 g 1 a a a a a

जुन्द्रास्ट वसः

That all the land.

distance in the contract of th

وحدورت للدفائلان

All das comegation

Add to the more stage.

in among the same

Walter Le.

Andrew Street

16 18 18 18

Bar Same

in the

# Haitian MPs to rule on premier

THE Haitian parliament is to decide whether it will accept the head of the country's small communist party as an interim prime minister, in moves to clear the way for a return to the country and to power of President Jean-Bertrand Arigida He Aristide. He was overthrown and sent into exile by the army in September. Although Mr René Théodore,

the communist leader and a critic of Father Aristide, has said he will accept the post, many legislators, and the army leaders, continue to have reservations about any moves leading to the return of the president. Mr Théodore has been accepted as a compromise candidate by Fr Aristide and the Organisation of American

Mr Théodore has said, however, that his acceptance of the post is conditional on the lifting of a trade embargo imposed on Hatti after the coup by OAS members and several European countries. His position thus supports that of the military. Mr Théodore has said he cannot set any dates for the return of the president, suggesting that he would have to be guided, perhaps by the country's military leaders. The OAS has maintained

that the president must be back in office before trade is reopened. But diplomats in Port-au-Prince, Haiti's capital, and Washington, said yesterday that the OAS was likely to be flexible, and would be willing to consider a phased reproved of sanctions when removal of sanctions when there were clear signs that Fr Aristide would be allowed to return.

The army, which will have the final say, is concerned about the impact of Fr Aris-tide's return. He has said that junior officers involved in the coup were following orders, but their commanders would be tried or exiled. The military and Haiti's

small elite also fear that the return of the populist politi-cian would embolden his many poor supporters to act against those who staged and sup-

#### **WORLD TRADE NEWS**

# venture in China to build trucks

By Kevin Done, Motor Industry Correspondent, in Detroit

GENERAL Motors of the US, the world's largest vehicle maker, has formed a joint ven-ture in China for the produc-tion of light commercial

The venture, which will be GM's first vehicle project in China, will have an equity capital of \$33m (£18.5m).

Total investment by the joint venture in the project is expec-ted to be \$100m by the end of

The US vehicle maker is taking a 30 per cent stake in Jin-bei GM Automotive Company, a joint venture formed with Jinbei Automobile, currently a producer of vans and light duty trucks

The new company, which is to be located at Shenyang City, about 700 km north-east of Beijing, will start assembly of GM's North American S-series pick-up trucks later this

year. GM said yesterday that output would increase gradually during the 1990s to reach some

50,000 a year by 1998.
Initially the trucks will be assembled from semi-knock-

down kits shipped from North America, but GM said that it would gradually increase local content by using a rising share of locally supplied parts. GM's first automotive project in China was the sale in 1988 of

an engine manufacturing line for 2.0 litre engines to the Bei Nei Engine Factory.

The engine plant is planned to have an eventual capacity to produce 200,000 units a year. Initially 2.5 litre engines for the pick-up trucks to be assem-bled by Jinbei GM Automotive

will be supplied from North America, but these will gradu-ally be replaced by engines from the Bei Nei plant, when production starts later this

year.

GM said that it would provide management personnel, training, and technology to the joint venture company, which would have a workforce of around 5,000.

# GM forms joint China steps up pressure over US sanctions BP quits Yvonne Preston analyses the two countries' campaigns ahead of today's deadline

A CCUSED by Washington of being the biggest pirate of US copyright and patents in the world, China has fought a tough and noisy campaign to prevent the US from imposing punitive trade sanctions against Chinese exports worth up to \$1.5bn (£84bn). As today's US deadline

approached for the Chinese to reach an acceptable agreement on the issue or face stiff retaliatiion, Beijing steadily increased the tempo of its cam-

paign.
This reached a peak last week with the threat of counter-retaliation in the form of a "hit-list" of \$1.2bn-worth of US exports, from aircraft, chemicals and steel, to cotton and corn, that could be subject to tariffs of up to 100 per cent.

Meanwhile, Beijing left no stone unturned in its efforts to prove its good faith prove its good faith.

A little more sincerity on the US side was what was needed, its negotiators loftly claimed, while blithely affecting to be unaware of considerable evidence of wide-ranging piracy in videos, computer software, books, movies and music recordings.
The Communist Party news-

US and Chinese trade officials yesterday were still negotiating in an attempt to head off a trade war over Beijing's failure to provide adequate protection for intellectual property rights, writes Nancy Dunne in Washington.

ashington. Mrs Carla Hills, the US Trade Representative, has set today as the last possible deadline for settlement. If no agreement is reached, US sanctions are to be announced shortly. The Chinese government has threat-

ened to retaliate.

Among the points of dispute was a proposal by Beijing to establish a two-tier sys-

paper People's Daily took up the cause of proving that China meant well, trying to present a country unjustly misrepresented by its critics, nota-bly the US.

It gave prominence recently to a report of a crackdown on unauthorised Chinese editions of the US novel Scarlett, the bestselling sequel to Gone with the Wind.

the Wind.

The Shanghai Translation
Publishing House bought the
exclusive copyright, the paper
said, and planned to publish a
Chinese edition in simplified

Chinese characters.
It reported that, when the State Administration of Press and Publication Copyright Bureau learned that other Chitem of protection for softwear copyrights.
This would provide stronger protection for foreign than domestic copyrights; US companies fear joint ventures would fall under the

nies fear joint ventures would fall under the domestic regime.

The US is also demanding a definite date – and it must be near-term – for China to join the Berne Copyright Convention.

The dispute over intellectual property rights came to a head last spring, when the US, under a provision of trade law called Special 301, cited China for failure to protect softwear, movies, records, trademarks and drug patents.

planned to bring out their own editions, they were ordered to stop translating and not to Chinese patent law protects only processes not products. Chinese companies have been able to take up US products, The People's Public Security such as pharmaceuticals and News managed to track down an alleged US infringement of copyright against a Chinese chemical fertilisers, slightly change their manufacturing process and thereby avoid

> problem area. Here, China points to what it sees as US guilt. A Xinhua news agency report last year said China had declared illegal and comiscated products infringing the M & M chocolate patent of Mars Inc, and fined the infringers.
>
> By contrast, complained Xinhua, the US delayed settling a

nfringement of patent. Trademarks are another

# **Qatar gas** project case of infringement of the trademark of China's Qingdao Brewery, even though the case had dragged on for two years. Nevertheless, the weight of the case appears to remain overwhelmingly with the US, When Mr Joseph Massey, the US assistant trade representa-

By Deborah Hargreaves

BRITISH Petroleum said yesterday it will pull out of Qatar's huge liquefied natural gas (LNG) export project BP said its 7.5 per cent stake in Qatargas will now revert to the Qatar General Petroleum Corporation, which holds a 70 US assistant trade representa-tive, emerged last month from the fifth and penultimate scheduled round of talks in Beijing, he made no secret of US dissatisfaction. per cent share in the project. Qatargas was set up seven years ago to export LNG from the country's North field. The He described China as "the single largest pirater world-wide of US copyrights" and "the largest unauthorised user of US pharmaceuticals." He said: "We are suffering \$50n project to develop the world's largest gas field is run by the QGPC (Qatar's state energy company) and three foreign partners. Total, a French resources company. substantial economic harm French resources company, and Mitsui and Marubeni, Japbecause of Chinese piracy," he anese trading houses, have 7.5 per cent each of the project. BP said its decision to pull US manufacturers estimate they have lost \$430m (£240m) from copyright violations on the Chinese mainland.

All of this of course increases unwanted trade ten-BP said its decision to pull out was made for internal reasons and that, given the calls on its investment funds, it would get better returns elsewhere. The company has led feasibility and technical studies for the project, but declined to specify the level of its investment so far.

Catar expects to start sions. Moreover, China does not want a trade war.

But neither does the US
want to deal with a rogue elephant, trampling international
convention and violating copyright and patents on its hard-

Qatar expects to start exporting 4m tonnes of LNG to Chubu Electric Power in Japan by 1997 from the North field.

#### HK gets six tenders for airport work

THE Hong Kong government has said it has tenders from six prequalified contractors for site formation work as part of the project to build a new airport, Reuter reports from Hong Kong.

The work preparing for a suspension bridge and motor-

way interchange is on the north-western part of Tsing Yi island.
"The contract will be fixed-

ensure as far as possible that the works are completed on time and within budget," said Mr Kwei See-kan, Director of Highways.
The contract is due to

be awarded in April and is expected to take 28 The contractors include Mishimatsu Construction, Bil-finger and Berger, Aoki Corpo-ration, Tobishima Corporation and Dragages et Travaux Pub-

# Mitterrand rejects Dunkel plan Gatt drug for Uruguay Round conclusion

By lan Davidson in Paris



President Mitterrand told the government, meeting in cabi-net, that "France is not ready to bow to American demands nor to submit to the interests of any other country, and will not give way". The French government's objections are directed primar-ity at the agricultural provi-sions of the Dunkel plan, which would call for sharp restraints on European farm-



exports.
"Our country rejects the Dunkel report in its present form, said Mr Roland Dumas, the foreign minister, "because

Mitterrand: not ready to bow to American demands ing, including limits on of its partiality and its disregard for the interests of French and European agriculture". Mr Dumas said that France would insist on sticking to the negotiating mandate given by the 12 member states to the European Commission, and "would refuse any submission to non-European interests". Mr Louis Mermaz, Agricul-ture Minister, described the

Dunkel report as unacceptable on many points and "totally unacceptable" in the agricul-tural field. The US also came under attack in Brussels in a state-

ment issued yesterday by Mr Frans Andriessen, the Euro-pean Community's Trade and External Relations Commissioner. Mr Andriessen said he was "unpleasantly surprised" by the remarks of President Bush this week the EC was

hiding behind an "iron cur-

tain" of protectionism.

# plan agreed by Canada

novel.

The newspaper accused the International Daily News based in Los Angeles of serialising the novel without permission.

However, the real issue is less about pirated books – although there are thousands locked up in university libraries and in private rooms in Chinese bookshops – than about protection for highly

about protection for highly valuable computer software

By Bernard Simon

CANADA has endorsed the Uruguay Round proposals to strengthen patent protection for brand-name pharmaceuticals, in the face of strong pro-tests from the powerful generic drug industry.
The endorsement, if the Uru-

guay Round is successful, would effectively end compulsory licensing, which has been a thorn in the side of the world multinational drug industry for more than two decades. A 1969 law required pharmaceutical makers to license products to generic companies long before their patents expired.

Brand-name suppliers were given greater patent protection in 1987, but the law still allows generic companies to copy a drug within 7-10 years of its launch. Acceptance of the proposals would extend patent protection to 20 years.

#### Ericsson in | Kat-Parts Portuguese contract

By Robert Taylor in Stockholm

ERICSSON, Sweden's leading telecommunications company, announced yesterday it had won a SKr862m (£83.8m) order from Telecel, the Portuguese communication group to instal a national private digital mobile telephone system in

As sole supplier, Ericsson hopes that the system will come into commercial service next October. The system plans to cover 150,000 subscribers and 85 per cent of the country by 1996. In a statement Ericsson said

that Portugal was the 14th European country to select the company as a supplier of mobile telephone systems. It added that the order also rep-resents "a strategic breakthrough" for Ericsson in Por-tugal for the supply of the company's AXE switch gear.

won and expensively-re-searched intellectual property.

A Financial Times article published on March 14, 1991 was the subject of a court statement yesterday. Mr Noel McMichael, solicitor for Kat-Parts Inc, told Mr Justice Drake in the High Court in London that the article, headed "Moles unearth spare parts scam" concerned the efforts of Caterpillar Inc. by the use of private investigators, to eliminate a counterfeiting network. He said the article, which was substantially based on information provided to the FT

by Caterpillar, accepted that Kat-Parts had been identified as part of a counterfeiting net-work which was costing it sev-eral million US dollars a year and enabling Mr William Dann, the head of Kat-Parts, to fund an extravagant lifestyle. The FT now accepted that it should not have portrayed this and other matters as proven

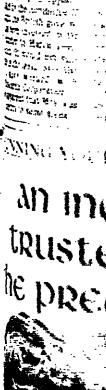
The newspaper's solicitor, Mr Richard Shillito, agreed that the FT wished to make clear that while Caterpillar had brought an action against Kat-Parts in the US District Court

for the southern district of Texas, Houston, in which alle-gations of dealing in counter-feit parts are made against them, Kat-Parts are vigorously defending the proceedings. The issues are yet to be determined in the action

in the action.
In the meantime, he agreed Kat-Parts is not restrained from dealing in Caterpillar spare parts nor, as a result of the denial of an application by Caterpillar in the US proceedings which was heard on May 9, 1991, is it restrained from trading under the name Kat-Parts Inc.

Kat-Parts had assured the FT that spare parts which it agreed to supply to Caterpilar's agents were all manufac-tured or supplied by companies which were authorised Caterpillar sub-contractors. Kat-Parts had also assured the FT that it does not employ a team of immigrant workers and that Mr Dann does not have a inx-ury traffer on the Kat-Parts site in Houston, nor a house in France and does not lead an extravagant lifestyle, the solici-





ME PRE

# supergun by Richard Donkin and Jump Burns

VI ARY 16 By

ire

and James Burne.

It is not and James Burne.

It is he told shout the military nees of the helore parts were delivered to sedem Insects regime, the helore parts were delivered to sedem Insects regime, the helore parts were delivered to sedem Insects regime, the helore parts were delivered to sedem Insects regime, the paper told my set and insects regime to the Bonse water and of Compone select committee in the supergraph hed told Britisher the supergraph hed told Britisher the insects with insects about his work with ing in 1886.

He also defined that in the same year representatives of Dr. Buil's company. Space Research Corporation, told the project which included the design of a 210mm self-propelled graph. Buillistic programmes, and a supergraph in the supergraph in the supergraph in the self-propelled graph. Buillistic programmes, and a supergraph expensive against the government over the supergraph affair. He Goulou Brown, the specific of the graph political offensive against the government over the supergraph affair. He Goulou Brown, the specific regraph of the first the supergraph affair. He Goulou Brown, the specific regraph of the first the supergraph affair he government, and that the

ernment over the supergun affair. He Gordon Brown, the opposition's trade and industry spokesman, said that the the pletter claims appeared to be at variance with previous official extense is assembled by the Department of Trade and Industry.

We be noted to be a supergun of Trade and Industry.

We side an index writing to the prime far being an index withing to the prime minister to demand an urgent for half a makes clear exactly who knew notes. Six what, and when, in governoon of the supergun parts to Iraq, and make I he whether despite an arms' anchor supergun parts to Iraq, and make I he whether despite an arms' anchor supergun parts to Iraq, and make I he whether despite an arms' anchor supergun parts to the contrary the cold be despondent and all previous clear up is statements to the contrary the cold be despondent and all previous clear and all insiding up Saddam Hussein's within I in written evidence to the life he generated his security contacts or many that Dr Ball had openly discultant and electrons, a government that and electrons, a government that and electrons and some company. Rother

orimans: within International Military within International Military within International Military within Services, a government of the Services, a government of the Services of Services, a government of Military defence the pecks sales department of Military sales to seemed to the defence the pecks sales department of Military sales to seemed to be important to contract for Preject Baby-lon to be awarded to British companies," Dr Cowley said.

He told the committee that he had been at a dinner in Beghad with Dr Buil and a senior official of Midland.

Henk in June 1986, Dr Cowley said that Midland socured meat of the British contracts with the age of the British contracts.

Midland Bank said it was a matter of record that the bank had led a number of ECGD backed credits to Inag for the supply of goods and services and pharmaceuticals. It denied inspering any of the supergun Heseltine challenges

the light point arrested by UK customs count pas officials and accused of Hegainst arrest by the committee if the particle was saked by the committee if the batter was saked by the committee if the batter was saked been involved in Draws and Ball's mander in March 1999. He replied: "It would not surthe price me in the least, over the
the price me in the century. The
the control was a man of the century. The
the control to price me in the century. The
the control to price me in the century. The
the control to price me in the century. The
the control to price me in the century. The
the control to price me in the least, over the
the price me in the least the least the minute of the price me in the least the price me in the least the price me in the least the minute me in the price me in the price me in the least the least the least the price me in the least the least

# London and Labour rethinks plan to Washington rties briefed on raise tax contributions

By Alison Smith and Philip Stephens

BRITAIN'S opposition Labour party gave the first indications yesterdsy that it may water down plans to raise taxes because of the potentially crippling impact on its electoral support in southern England.

The Labour leadership is chance of defeating the government in the election which now reconsidering proposals for sharp increases in National insurance Contributions (NICs) for those earning more than

At present all wage earners pay contributions - currently a nine per cant levy to pay for social security benefits - on social security benefits — on earnings up to 120,280. Those who earn more do not pay extra National Insurance.

Senior Lebour party figures are suggesting that the proposed abolition of the £20,290 ceiling on such contributions could be phased in over a number of years rather than come into effect immediately after the general election.

the general election.
The change of heart - which follows an intense Conservative onslaught on Labour's tax and spending plans - reflects growing concern in the shadow cabinet about the unpopularity

chance of defeating the govern-ment in the election which must be held before July.

But its concern about the impact of the NICs change will be reinforced by the publication later this month of a region-by-region breakdown of the effect on overs in different parts of the country.
It is understood that a report

under preparation by the inde-pendent Institute for Fiscal Studies (IFS) will show that in parts of the south east more than a third of those in employment would be forced to pay more if Labour were There are two possible ways to phase in the abolition of the ceiling. Party leaders have floated the option that initially

people earning more than 220,280 would pay NI contribu-tions on anything above that

nine per cent level levied on the rest of their income. Labour needs to win a swathe of seats around London and in the rest of southern England if it is to have a character of seats around and in the rest of southern ing over a number of years until it was eventually aligned with the top rate tax threshold and then abolished. Either would bring Conser-

vative charges of a dramatic U-turn forced upon the opposi-tion by the effectiveness of its attacks on Labour's tax and spending plans over the last 10 days. It would also put a ques-tion mark over the financing of the opposition's spending But if Mr Neil Kinnock con-

firms the plans for a phased change he will insist that it is entirely consistent with long-stated pledges to avoid large disruptions in family budgets.

Party figures were last night referring to a phrase in the referring to a phrase in the party's latest policy document, Opportunity Britain, which states: "Fundamental tax reforms of the kind we propose must be introduced gradually so that family and business budgets are not disrupted."



MORE than 300 Liverpool residents yesterday appeared at the city's magis-trates court following the council's deci-sion to issue 255,000 summonses against

poll-tex defaulters. The court action is part of moves by Liverpool City Council to recover £90m in unpaid tax. Magis-trates were due to hear cases against

5,500 defaulters yesterday and Ms Lesley Mahmood, the left-wing councillor and parliamentary candidate, was among the first to attend the proceedings.

# Government averts gas supply dispute

THE government stepped into the row between British Gas and its regulators yesterday, heading off a far-reaching investigation by the Monopo-lies and Margers Commission that had threatened to cast a shadow over the industry for shadow over the industry for most of this year. Mr John Wakeham's inter-

Mr John Wakeham's intervention in the row between British Gas, its regulator, Ofgas, and the Office of Fair Trading (OFT) preserves the energy secretary's ambition to encourage more competition in gas supply without throwing the industry into upheaval. Mr Robert, Evans, British Gas chairman, appealed to Mr Wakeham after failing to get assurances over flexibility on domestic prices from Ofgas. domestic prices from Ofgas,

MR MICHARL Heseltine, environment secretary, yester-day accessed the opposition Labour party of "hopeless confusion" on the water industry and challenged the party to say whether it would carry out its policy of re-nationalising the industry.

He also sought to neutralise concern over higher water charges, which are expected to rise 56 per cent in real terms by the end of the century. The rise is mainly to pay for better water quality and environmental improvements.

**RUNNING YOUR OWN PENSION SCHEME?** 

an independent

MR MICHAEL Heseltine,

the industrial gas market and to hive off its pipeline division.

Mr Evans has now told Sir Gordon Borrie, director of the OPT, that he is prepared to sign undertakings to increase competition in the market without any conditions. without any condition

In return, Mr Wakeham assured British Gas that Ofgas would review a tough new pric-ing formula for domestic ens-tomers which is due to come

into force in April.

In talks before yesterday's agreement, British Gas had displayed its deep distrust of Sir James McKinnon, director general of Ofgas, by asking for the MMC to arbitrate in any potential disputs over pricing. tial dispute over pricing between them. The company says Mr Wakeham's assur-

water industry was still in the public sector.

Mr Heseltine warned that

water improvements would have to be paid for the indus-try's £28bn investment pro-

gramme over the next decade amounted to £130 for every

ehold in England and

Nevertheless, he said, water

charges in Britain were among among the lowest in Europe averaging only 43p per household a day. He claimed that the quality of drinking water and

rivers in Britain compared well

with other West European

the regulator.

The government's action enabled British Gas to climb down from conditions it attached to its agreement with the OFT to haive its share of

opposition water plan

By John Hunt, Environment Correspondent

#### Britain in BRIEF



#### EC insists on workplace smoking code

British employers will have to British employers will have to provide separate no-smoking rest areas from the end of the year or han smoking in rest rooms altogether under rules being brought in to comply with a European health and safety directive. Pregnant women and nansing mothers will also, for the first time, have to be provided with their own separate rest facilities at work under the regulations.

An increasing number of organisations are moving towards workplace smoking bans. These regulations could speed the process as employers decide it is simpler to outlaw smoking altogether, rather than having to find separate rest rooms for non-smokers.

#### Gene therapy given go-ahead

Marketing, Page 10

Direct genetic treatment of inherited diseases such as cystic fibrosis and haemophilia receives official approval today. A Department of Health committee has decided that gene therapy can go ahead in the UK, subject to certain ethi-cal safeguards. The procedure, pioneered in the US, involves correcting genetic defects by adding new genes to the cells adding new genes to the cells where they are needed. This is expected to be more effective and longer lasting than conventional drugs which merely treat some of the symptoms. Several research groups in the UK are preparing trials of gene therapy for diseases including cancer, cystic fibrosis and thalassaemia (a severe blood disorder).

#### Warning to power groups

The twelve regional electricity companies of England and Wales may be breaking the rules of the new electricity market, Mr John Wakeham, the energy secretary, told the Commons energy committee. He said that if any of the regional companies were found to be buying electricity above market prices, they would be investigated by the electricity watchdog, Offer.

#### Lilley denies PO sell-off

Mr Peter Lilley, industry secre-tary, made it clear that his pro-posals to inject more competi-tion into the Post Office did not amount to wholesale priva-tisation. While restating his determination to liberalise postal services he frequently referred to the government's commitment to a nationwide letter service with a uniform affordable price structure. He latter added: "There are no government plans to privatise the Post Office at present."

#### ioD urges budget tax cuts A freeze on business rates and

tax cuts of £3bn would stimu-late business investment and

#### recovery, the Institute of Directors (IOD) said. In a presentation of its budget proposals the institute urged Mr Norman Lamont, the incellor of the exchequer, to make cuis in corporation, capi-tal gains and investment taxes the budget's priority. It also called for a freeze in excise duties on vehicles, alcohol and tobacco and a halt to increases in the uniform business rate to speed up the battle for zero inflation.

#### Sumitomo, Lucas win order A joint venture between Lucas Industries and Sumitomo of

Japan has been awarded a

£10m-a-year contract to provide electrical wiring systems for the cars Toyota is to produce at Burnaston, Derbyshire, starting in December. Lucas said the contract would lead to the creation ini-tially of 100 additional jobs within the joint venture com-pany. Lucas SEI Wiring Systems. Employment is expec-ted to rise further as car out-put itself increases during the 1990s. The Lucas/Sumitomo contract is one of 150 that Tovota is in the process of

#### French experts imprisoned

suppliers.

awarding to European-based

Two French computer experts who stole six computer discs controlling the daily transfer of millions of pounds from the headquarters of Barclays Bank International have each been jailed for four years. Mr Guylain Olivera de France de Ter-fant and Mr Michel Bruchon admitted burglary and steal-ing the discs but denied con-spiring to defraud the bank by using the stolen discs to divert

#### Port inquiry delays plans

The privatisation of the port of Tees & Hartlepool is to be delayed for about two weeks while the government investi-gates allegations that it was gares allegations that it was conducted unfairly, the depart-ment of transport said. In a Commons debate on Tuesday night Ms Joan Walley, a Labour transport spokes-woman, said there "serious allegations of fraud, bribery and corruption "relating to the Tees & Hartlepool hidding. Mr Patrick McLoughlin, shipping minister, said no final decision would be taken on the sale until the allegations had been studied "very carefully". Results: Associated British Ports, Page 18

#### **Investors in UK** to increase

The knock-on effects of foreign direct investment to the UK are numerous, widespread and not always transparent according to a study commis-sioned by the Department of Trade and Industry. The study Coopers & Lybrand Deloitte in collaboration with Benchmark Research, predicts that inward investment could account for as much as 25 per cent of all new capital formation in 1991/ 92, against 15 per cent in 1989.

#### Union chief to retire in March

Mr Eric Hammond, the controversial general secretary of the EETPU electricians union announced that he is to retire in two months time as he and other leaders of the EETPU and AEU began a three week tour of the UK to win support for a merger. Mr Hammond, 62, will step down as general secretary on Friday, March 13.

# \*\*\* "Amsterdam to" \*; Singapore..."; "Non-stop, daily!" Yes. And Amsterdam To Bangkok...'

Non-stop, "

ies And Amsterdam; Tokyo, Seoul and 🎚 uala Lumpur..." 👍 Non-stop, too!"

> ictly. Plus regili connections to

> > other Far Fast

We are now offering increased services between Amsterdam

Airport Schiphol and major destinations in the Far East.

Including non-stop B 747-400 flights to Bangkok and Singapore, the doorsteps to the Far East, and Kuala Lumpur, Seoul and Tokyo. Plus faster connection times with flights from 67 European destinations.

All this as part of a worldwide network serving 150 destinations in 77 countries on all six continents.

More details? Phone KLM's 24-hour information and booking service on (international) 6-8 747 747. Test us, try us, fly us.



# trustee can keep the predators at Bay.

Tyrannosaurus Rex was one of the greatest Upredators of all time. It prayed on smaller species, and scavenged on dead and dying diso-saurs. Certain scheme wind-ups, takaover bids

vulnerable to similar predators. Since the Social Security Act 1990, an insolvency practitioner must appoint an independent trustee in the case of a pension scheme wind-up.

However there are also other situations when an independent trustee can prove indispensable. Not just when disputes arise, but also to deal with questions such as the allocation of surplus, investment policy, or even hostile takeovers. Schemes with an indepedent trustee are fairer to

employee. They ensure that best practice is not only

Which is why you should talk to Hedrian-Solwey, a trust corporation with a history of providing ident tresteaship services to pansion schemes – in all situations. So before the predators get their teeth into your pension fund, call Kerry Davies now on 0252 512255, or write to her at the address below. We can bein protect everyone's interests.



The Pensions Administration Professionals Hadrian-Solway Limited, Hadrian House 51-65 Victoria Road, Famborough GU147PA

194	
<b>₽</b> 744	$\mathbf{r}_{i,j} = \{i, j=1, \dots, n\}$
- · · ·	
Maray	

Richard Lapper looks at the proposals from the task force and their impact on the future running of the market

AT THE end of the 1960s, Lloyd's of London, the insurance market, ignored many of the recommendations of the Cromer Report, the last searching examination of its business

The report advocated radical changes, but it was not published, and gathered dust,

largely unread.

There is little chance of Lloyd's: A Route Forward, published yesterday after a year's work by a 14-strong task force,

suffering a similar fate. The Lloyd's Council, the insurance market's governing body, has accepted the bulk of the 240-page report's 65 recom-mended reforms and the long task of translating the recom-mendations into new rules for the market has begun. Within the next five to 10 years, the changes may radi-

cally alter the way business at Lloyd's is conducted.

Mr David Coleridge, chair-

would begin "at once and forthwith". Six working parties are being set up, supplementing Lloyd's network of committees to examine practicalities. Most Names - the wealthy individuals whose wealth backs the market - will have

copies of the report by Satur-day, and during February and March a Lloyd's roadshow involving senior market figures - will travel to 32 international venues to present the conclusions of the report and take soundings from meetings

Mr Coleridge hopes that plans to cap Names' liabilities the most controversial proposal – will be complete by April so that they can be in operation for the beginning of the 1993 underwriting year. There are also hopes at Lloyd's that members' agents pooling arrangements (Mapas),

man of the market, said work on implementing the report would begin "at once and widely, will also be ready for

The capping proposal marks a watershed in Lloyd's 300-year history, during which it has clung tenaciously to its principle of unlimited liability, whereby the losses of its Names or underwriting members must be paid even if it means selling their personal

posessions.

The principle, which stems from Lloyd's origins in the 17th century, when wealthy mer-chants banded together to insure ships and their cargoes, has been a mixed blessing. Many potential wealther mem-bers of Lloyd's have been dissuaded recently from joining by the prospect of personal

bankruptcy.
The task force recommends that the tax advantages and other advantages of unlimited liability are sufficient for its

maintenance, but the introduction of a cap — even at a rela-tively high level — radically alters its significance.

The central fund that will

bear all losses over the cap will be replenished with a cash call from Names if it is needed, and only if the claims then over-whelm the market as a whole will the Names bear liability. The task force hopes the change will encourage Names to join Lloyd's - only 100 did so last year - and help stem the steady erosion in the mar-

ket's capital base.
"In effect, the principle has gone," said the managing director of one Lloyd's agency. "Unlimited liability is now more of a symbol than any-thing else."

In the longer term, the task force's proposal to admit corpo-rate capital into the market opens the way to the possible dominance of Lloyd's by limiteventual disappearance of share of the international marunlimited liability as a guiding

The task force acknowledges that the present tide of hitigation involving Lloyd's Names and the agents who manage their affairs might eventually threaten the the relationship between individual Names and their agents. More than 2,000 Names - about 10 per cent of the total – are currently involved in such legal action. In addition, if the market's profitability is insufficient to persuade enough new Names to join Lloyd's, limited-liability

the "predominant form of capi-tal in the market". The underlying theme of the report is the maintenance of the market's existing struc-tures with radical reforms to improve competitiveness, reduce costs and modernise business practices, in the wake

capital might rapidly become

ket for specialised commercial insurance and reinsurance. Faced with the dilemma of reconciling the potential conflict between the need for strong central leadership and "the preservation of the entrepreneurial character of the market", the task force has opted to introduce a series of piecemeal changes to support market-led rationalisation in the short term. At the same time, the market must take

radical long-term changes.
"All our recommendations seek to preserve and build on Lloyd's truly distinctive strengths, and in most cases seek to improve structures that exist today, rather than sweep them away and look for com-pletely new structures," said Mr David Rowland, the Sedgwick insurance broker who chaired the task force. Mr Rowland says that the

market's difficulties over the past two years have already prompted a number of impor-tant changes. Lloyd's reported its first global losses for more than 20 years in June last year and will report even heavier losses for 1989 and 1990. A number of syndicates have folded as a result and many managing and members' agents have either closed or agents have either closed of merged. This year, only about 230 syndicates will be trading, compared with more than 550 last year. Those changes, coupled with the introduction of how technology should be more technology. action now to prepare for more

pled with the introduction of new technology, should help to cut costs, but the task force believes that "market forces alone will not accomplish all the necessary changes" and has proposed a number of measures to promote efficiency.

Lloyd's costs — especially the system of raising and servicing capital — have grown too cing capital – have grown too rapidly compared to those borne by competitors in the

reduced. In the medium warn, the market hopes that costs can be cut by 36 per cent. Mapas will help save up to rationalisation among agency groups is expected to yield much greater savings. The test force's main diffi-

culties concern the troubes of the past, and in dealing with those issues the radicalism those issues the radicalism-becomes more muted. The task force admits that the demands stemming from US subestoris and environmental liability claims are incalculable. Names facing heavy losses from US liability business have been given no respite and the task force admits that the wose of syndicates with open years syndicates with open years tain that accounts cannot be closed - are likely to worsen. Lloyd's: A Route Formard. Lloyd's: I Lime Street, London ECSM THA. 525.

# Plans for long term see radical changes

contains three proposals that would either require detailed changes to the Lloyd's Act, or further debate. If implemented, the introduction of limited-liability capital, the creation of a secondary market for syndicate participation. and a restructuring of the agency system would change the character of Lloyd's more than all the short-term reforms put together.
The idea of limited-liability

The idea of limited-liability capital is suggested as a sort of back-stop in case too few Names retarn to the market.

Limited-liability capital would be admitted in the form of "corporate members". Such members would be structured as authorized insurance com-

as authorised insurance com-panies, would have to meet very high minimum-solvency levels and size qualifications. They would participate along-side Names on syndicates.

In the case of corporate members - which could be owned by corporate or institutional bodies – going into liquidation, the Lloyd's Central Fund would meet outstanding liabilities on valid

Significantly, the report ints out that changes to the Lloyd's Act would also offer the option of moving to a fully incorporated basis of trading if the present capital structure failed to sustain growth.

Implicit in all that is that Lloyd's needs to boost its prof-itability to attract significant levels of corporate capital. That is certainly a key part of the aim behind the second long-term proposal; a restructuring of the agency system.
All individual Names would

be required to spread the first £500,000 of their premium income limit via a Members' Agent Pooling Arrangemen (Mapa), which would diversify risk more effectively than at and wealthier individuals writing business above that limit, or "Super" Names, could have direct agreements with syndicate managers.

The members' agency system would be divided into three different functions, performed either separately or by specialist firms. Fund managers would act as agents for Names in respect of Mapas; licensed advisers would advise Super Names on agency participation, and others on the choice of fund manager. Administrative utilities would carry out administration. The syndicate manager's role would be largely unchanged from that of today's managing agent. Syndicate managers, moreover, could be part of

wider groupings. Probably the most radical element is the proposal for a market in syndicate participa-tions. Names, in other words, would have to pay to join a syndicate, buying capacity from a Name seeking to leave on a matched bargain basis.

The report says the idea could resolve some of the structural difficulties arising from the fact that syndicates are "annual ventures" and have no legal identity in themselves. Names' returns would no longer depend on a single profit contribution. In addition, the returns would be based on the appreciation or depreciation in the value of

their participation. the report admits to doubts about the feasibility of creat-ing an efficient capital market with adequate information and sufficient liquidity. Increased volatility would also change the nature of Lloyd's. For those reasons it suggests that the case for a market in syndi-cates should be re-examined in

# Fund to cap losses, but limited liability remains

THE recommendation by the task force of a high-level cap to limit excessive losses for Names does not abolish unlimited liability, but is a radical modification of the principle.

The market's recent losses have highlighted the risk of bankruptcy for Names, and many submissions to the task force urged an end to unlimited liability.

The task force's proposal calls for losses to be limited to an amount equivalent to 100 per cent of a Name's annual premium income over a fouryear period.

A Name underwriting £100,000, for example, would

central fund would pay losses

above that figure.

The fund would be financed by a compulsory levy on all Names equivalent to 0.25 per cent of their premium income limit (the maximum amount of premiums a Name is allowed to accept under Lloyd's rules).

Names can bring their expo-sure below that limit by purchasing stop-loss reinsurance policies as at present. Unlimited liability would remain, however, because a Name would face further losses in circumstances that "threat-

ened the continued existence of the market".

If the fund could not meet

pay all losses up to £100,000, A calls, liability would again fall on the Names.
The scheme is expected to

ning of 1993, but will not cover losses of Names incurred before 1992. That option was ruled out for practical and legal reasons. The task force says the

scheme will provide more cer-tainty to existing Names and make the market more attractive for very rich individuals.
"At present, a wealthy Name's upside is limited by the maximum premium limit allowed, but the downside is unlimited."

Richard Lapper

# Pooling proposals aim to spread risks and rewards

the task force's recommenda-tions is the setting-up of members' agents pooling arrangements, or Mapas, to allow agents to pool all the syndicate participations of the Names whose affairs they handle, to spread risks and rewards more

The agent would pool all portfolios and allocate units in the pool to Names, constructing a kind of unit trust, as distinct from a separate portfolio of participations on separate syndicates for each Name. The idea was mooted in the sum-mer of 1990, but after extensive discussion in the market the Lloyd's Council took the decision at the beginning of last

year not to introduce it. The task force says that was an unfortunate decision and that given the market's trou-"there would now be much more interest in this scheme" In particular, it says, a large slice of the market's losses in 1988 were heavily con-Names. "The extreme losses of a few Names bring not only great hardship to those Names,

to the reputation of the Society as a whole." The introduction during the past year of new techniques to streamline managing agent accounting - known as managing agent unitised accounting (Manuac) - would make

but also considerable damage

the introduction of Mapas easier and simpler. Such techniques etiminate "the need for managing agents to prepare syndicate accounts for each Name." Under Manuac, the managing agent will declare an overall result for the syndicate and distribute a payment to each members' agent pro rata. The task force suggests that

savings, perhaps up to £12m a year, can be realised by the introduction of Mapas. It says less well-off Names are best placed to benefit and suggests that Names who commit about £500,000 should eventually only be allowed to participate in the market via Mapas.

Richard Lapper

# Change proposed on open years

THE TASK force offers no immediate respite for the thousands of Names who are members of syndicates with "open years". Those refer to accounts that cannot be closed because of uncertainty about the scale of future claims arising from written up to 40 years ago. Nevertheless, it suggests

changes that might help to improve matters.
It says Lloyd's "must offer Names a route to leave if they so wish, albeit at a price which fairly reflects their outstanding liabilities. Unless the society

[Lloyd's] can demonstrate that Names can resign if they wish, it will be hard to persuade new Names to join".

The task force says long-tail liabilities, in which claims

emerge sometimes decades after policies are written, represent "one of the greatest problems facing the society".

It was unable to develop reliable estimates about the size of future claims arising from asbestos-related diseases and environmental pollution.

Rejecting mutualisation - in which all Names would pool resources to pay for the losses of those worst affected - the task force suggests that Lloyd's must seek to trade out of its difficulties.

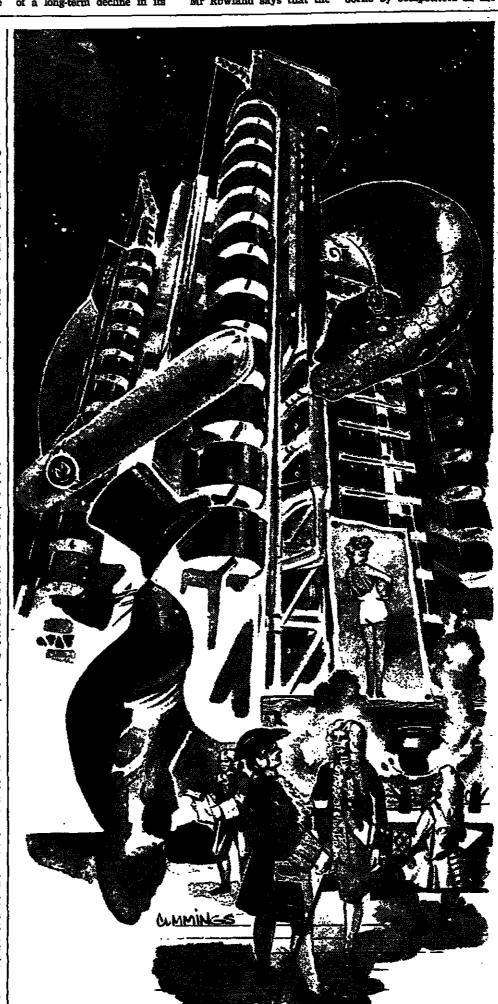
That strategy "implies main-

taining a steady pattern of profitable growth, enabling existing Names to pay their losses from future profits while attracting new capital to the market to participate in new business". In addition, it suggests that CentreWrite, the reinsurance company created by Lloyd's in July last year, should shift its focus away from reinsuring syndicates with open years towards rein-suring individual Names. Accordingly, Lloyd's will need to develop technical mechanisms releasing individ-

ual Names from syndicates.

The task force suggests a reversal of policy on syndicates unable to close years. Instead of pressing syndicate managers to close years, as Lloyd's does at present, it should accept that leaving a syndicate open provides "the most pragmatic response to grave uncertainties such as major latent liability

Richard Lapper



#### Twenty points about Lloyd's

n 1 1688; First mention of Edward m 1 1988: Hist meason of Europe Lloyd's Tower Street collee house. It moved to Lombard Street in 1691. M 2 Lloyd's became gambling den in 1700s. Sample bets: the survival chances of those on death row. or inmous people on sickbeds. #3 1769: Scandel and corruption led some underwriters to persuade weiter Thomas Fielding to set up breaksway Lloyd's in Pope's Head Alley. The new one survived. E.4 There are now 22,500 Names - 22.5 per cent are women, 20 per cent foreign and one is

E 5 Most important document in ES MOST Important occusions in Litora's history was signed in 1771. It set up ruling committee, which survives to this day, albeit with increased powers and duties. ES Lloyd's first constitution, The Trust Deed, was written in 1511, after secretary John Demest failed to peas on information that would have allowed underwriters to avoid

blockade. # 7 Lloyd's home The Ployal Exchange burned down in 1838. Chairman, George Richard carried on next morning. carried on next morning. 28 in 1874 Henry Hozier set up signal stations that gave Lloyd's a virtual monopoly on shipping information. Hozier later resigne over extravagant expenses, spending more than \$25,000 on luxurious trips around the world. M9 Lloyd's Act was passed in 1871. when underwriter A.B. Forwood made \$500 on insider information

that a ship, the Venezuelan, was-only slightly, not bedly, damaged. Act gave sanctions under criming law against crooked members. El 10 Asked to give any kind of cover, Cuthbert Eden Heath, father of the modern Lloyd's, commo repried: why norr III 11 Not liable for all damage in the San Francisco earthqueke. Cuthbert Heath secured Lloyd's reputation by cabling agent "Pay

all our policyholders in foli."

It 12 Many Names stood to be : ruined in 1954 by underwriter Also Wilcox who had been falsely accounting for years. The committee balled them out, establishing an important precedent that qualified unlimited liability.

E 13 Film stars covered by Lic included Betty Grable and her "million-dollar legs". = 14 Cromer committee of 1969 70 recommended that Lloyd's allow women, foreigners and the less well off to become Names.

III 15 in 1973 Sylvia Horsey became first woman underwriter.

If is A body blow to the Lloyd's reputation for paying without quibbling came in 1975 when business done by underwriter Tir Sasse left Names Hable for \$40m — 63 refused to pay and seed. III 17 Lock Ness monster insurance was written for a film company that

wanted cover against a rea monster appearing during E 18 Gemini, seelion star of the BBC's Animal Magic, visited the market in 1982 and was filmed at the box where her cover was underwritten.

m 19 The world's largest cigar, 1212 if long and retailing at £17,933.35, was insured for a premium of 50p. To finish the cigar would require 339 days and nights of uninterrupts smoking. # 20 About 100 of the 350 Underwriters earn more than \$250,000.

# Market operators urge one-year accounting system

MORE THAN two thirds of submissions to the task force from operators in the market favoured a change from the three-year accounting system to one-year accounting. Change had been expected, but the task force recommends that three-year accounting be

The task force maintains that a one-year basis would lead to inaccuracy and would be inconsistent with the need to preserve equity between Names on successive years of account.

It says also that many competitors to Lloyd's in the company market in specialised insurance sectors - such as marine, aviation, transport and treaty reinsurance - use a two-year or three-year accounting system. The three-year system reinforces the view of Lloyd's as a long-term commit-

The task force says more information is needed about the development of an account. It recommends publication of a Tim Dickson | global profit forecast after 24

months of the account, and publication of a syndicate's solvency position in the annual

• One Lloyd's handicap in the past has been its inability to respond rapidly to rises in insurance rates. The report suggests that Names should be allowed to increase the amount of insurance they underwrite in mld year. The report says premiums

for quota share reinsurance with insurance companies in which a reinsurer accepts a proportion of business in return for a proportion of the original premium - should be deductible from a syndicate's premium income limit, up to 25 per cent of a syndicate's normal premium limits,

Lloyd's syndicates make extensive use of reinsurance. In 1988, they ceded 37 per cent of gross premiums to reinsurers. Under the present system of premium limits, though, a Name's underwriting limits are based on gross premiums (not taking into account reinsurance ceded).

more husiness without increasing their capital base. The report adds that consortium arrangements - where Lloyd's syndicates and companies co-insure certain risks - should pe encontaked. Other recommendations:

• Improved accessibility of Names' capital. Close monitoring of market • Individuals to be allowed to

apply to become Names at any point during the year. Managing agents to be able to state in mid year that they do not foresee a syndicate util-ising total capacity for that year and to reduce each Name's line pro rata. • Encouraging consortium arrangements between syndi-

cates and companies, with Names benefiting from any fees or commissions received from the consortium. Global profit forecasts for the market as a whole should be published by the corporation

The proposal would in effect allow syndicates to co-operate with outside reinsurers to do sional advisers, to consider proposals to permit explicit discounting of old-year liabilities. • More centralised management of old-year claims, and a working party to develop a detailed proposal for an oldyear claims centre of excel-

> Investigations by the council into any mergers that would result in a managing or member's agent controlling more than 25 per cent of capacity, with a view to preventing any merger not in the interests

> • Endorsement of profit commission "clawback" in the event of prior-year deteriora-A working party to develop

> detailed "best practice" guide-lines to establish tighter budgetary discipline, more openly negotiated fees and expenses, and greater disclosure. • An independent chairman for the agent review body.

writers, to be developed by the Lloyd's Underwriting Agencies Association and the corpora-• Specific qualifications for managing and members

board members for all agents. A review process of involvement of non-executive directors in approving remuneration levels within the agency. The council to endorse tarset expense ratios and report progress towards reaching

• A project to evaluate options for minimising run-off

trends within the market. A detailed annual market expense review to enable cost comparisons across agents and

· Market associations and the Lloyd's Insurance Brokers' Committee to develop proposals to refine the broker remu-Guidelines for competence in the agency system, similar
 neration structure to create "a clearer match" between broker

 An investigation into the feasibility and cost of initiating a quality management programme across key processes within the market-services

• Greater liberalisation in

dures, especially production of documentation. The council should work towards a future in which market infrastructure is identical across the bureaux of the entire London market, • Publication of the percentage of business placed by Lloyd's brokers into the

Lloyd's market. • If a managing agent can accept the additional responsibility and can demonstrate adequate control systems, the service company should be able to deal directly with non-Lloyd's brokers in the UK with-

out interposing a Lloyd's bro-

incentives and Names' interests.

• A joint initiative to assess profitability along the total underwriter-broker chain in selected areas of business.

• An investigation into the

 A concerted marketing drive to expand the community of Lloyd's brokers. Reversal of divestment provisions in the Lloyd's Act 1982.

• All business issues to be debated and decided at a new

Lloyd's market board, which could act cohesively on behalf of the market Regulatory responsibility should be vested in the Regula-tory Council consisting of individuals drawn from the constit-

uencies at present represented on the council as well as an appointed head of regulation. A transitional structure is a matter of urgency. • The chief-executive post should be split into a chief executive for the Lloyd's market board and a head of regula-

Richard Lapper

JANUARY

(3-F 10th)

THOM IS

S Braylo Bard.

teriamination un item fit

First needed of cheer Street on cheer Street Street on cheer Street Street on cheer Street Street

A Selection of the control of the co

participant participant

4 4 4 4 4 5

House Market - 673 2 6488 "1. 10 Day [25:

in to a section 1 A.1 625 (E) r writer A g by an indisable that . Pro Vencari

さい (本の質点

STATE OF THE STATE

ditional cost competitiveness action will be needed if attractive returns are again to be

Mr David Rowland, the insurance broker who chaired the task force, wrote to Mr David Coleridge, the Lloyd's chairman, shead of its recom-mendations: "At almost every level, the Lloyd's system of reising and servicing capital and transacting business has and transacting business has become too costly. Expanse has to be reduced dramatically."

Some factors driving costs up were admittedly out of the market's control — and a turn in the insurance cycle would obviously improve ratios but the market in the property of the transaction. the message conveyed by the report is straightforward.

Royl's expenses are about 30 per cent too high, even allow-ing for a sirong unturn in mar-The real difficulty is not so much brokerage costs which inter-syndicate reinsurance apart have not grown relative to gross premiums written.
The cause appears to be the
2770m of costs in 1990 covering. the corporation, the syndi-cates, agency fees excluding profit commissions, and Names contributions to the

Those represented 13 per cent of calendar-year premi-una compared with 7 per cent

RESEARCH by the task force in 1982. The growth rate of the shown that Lloyd's lost its tra-market's costs over this period was 18 per cent a year in nomi-nal terms, or 12 per cent after allowing for inflation. Direct syndicate costs - syndicate expenses excluding charges from the corporation - grew

by 19 per cent a year over the period. The report points out that although corporation costs have risen, their absolute growth is relatively small The insurance cycle aside, three structural difficulties are

One is the additional cost of regulation, which led syndi-

**Expense ratios** % of premiums written, net of reinsurance, including brokerage Lloyd's including prolit commission prolit commission prolit commission ⊃US property & carriers

ninder your premiums

1979 81 83 85 87 89

cates to install more detailed record-keeping and risk-control systems in the 1980s.

The task force believes the cost of regulation will become less burdensome now that those are in place.

The second is that there has been a sustained decline in productivity. The threefold increase in the Lloyd's head count since the mid 1960s compares with a 45 per cent rise in

real premiums.

The long-term decline became most marked in the late 1980s, when cost growth continued at a high real rate and real premiums fell.

The company sector, by comparison, appears to have improved productivity, holding expense growth below preexpense growth below pre-mium growth in the 1980s.

The final issue facing the market has been lack of tight cost discipline. That can be blamed partly on the bull mar-

ket in mid decade. The absence

of keen competition between

information were also responsi-The task force sets a 30 per cent overall cost reduction target. That is consistent with a pre-tax return to Names of about 5 per cent of premium income limits. It assumes that underwriting results and investment income in future are in line with the 10-year average between 1979 and

David Rowland, task force chairman: believes Lloyd's expenses are 30 per cent too high

# Parties divide over proposals

LABOUR was dismissive yesterday of the task force report, but among Tory MPs, many of whom are underwriting members, there was a cau-tious welcome.

Ms Marjorie Mowlam, Labour's voice on the City, said Lloyd's had had the opportunity to take a "decisive first step" in rehabilitating its repu-tation. "That opportunity has been missed," she said. Labour wants Lloyd's con-

to that applying to other parts of the City under the 1986 Financial Services Act, including its provisions for compensating investors.

Ministers are privately con-

cerned about Lloyd's future, particularly in competing with other European financial centres, but believe its manage-ment is an internal affair. Officially, the Department of Trade and industry would yesterday only welcome the extent of the

Legislation needed to implement the report's proposals would probably be undertaken under the private-bill proce dure rather than as govern-ment-sponsored business.

Tory MPs will watch the reform proposals carefully. In the extent of recent losses. including some incurred by Tory MPs, most accepted that unlimited liability had to remain an integral part of

# Scheme to help Names gains mixed response

PROFESSIONALS IN the Lloyd's insurance market generally reacted positively to the recommendations of the task force yesterday, but many doubted whether the recommendations would help Names already in financial difficulties.

The welcome was cautious. however, as brokers, underwriters, advisers and Names -the ludividuals whose wealth underpins the market - struggled to digest the 240-page

Mr Max Lehrain, managing director of Grimston Scott, a tax and financial adviser to Lloyd's Names, said late in the afternoon: "I have to admit I'm only on page 52 at the moment. But what is encouraging is to see the Council responding in a positive way."

Mr Chris Burton, joint man-aging director of A.J. Archer, a quoted underwriting group, said: "It's a very comprehen-sive document. My immediate fresh air for the whole marketplace. The whole concept of the report is getting back to the commerciality of Lloyd's. I welcome the growth in the number of Names, and that the capacity is being maintained for individual Names."

He also welcomed the impor-tance given to the Names and enhanced links to brokers, whom he called "the life blood of the market". He did not feel the new rights for Names would make managing agency

Mr Ken Carter, chief executive of insurance broker Lloyd Thompson, was particularly pleased with the reaffirmation of the partnership between brokers and underwriters.

He added: "The report is not very radical. It is what one would have expected. The orig-inal aim was to look at Lloyd's capital base. That has moved slightly into the background." The proposal to allow Names to reinsure their "open years" with CentreWrite, in particular, had a lukewarm reception.
Mr Mike Voller, Lloyd's specialist with the accountant
BDO Binder Hamlyn, which

advises about 1,000 Names

said: "If they can afford that, they can probably afford the

He added: "I can't see an awful lot of people taking that out because of the level of premiums which is likely to be

Mr Mark Farrer, chairman of the Association of Lloyd's Members, which represents 9.500 Names - 40 per cent of the total - was more positive about the proposal. I think the proposals for CentreWrite are going to be extremely useful for Names, because nobody at present is really prepared to assess the individual risk. I don't doubt that what is pro posed is an excellent idea

Proposals like this underline the importance of the pro-viders of the market's capital and go a long way towards cor-recting an imbalance between Names and syndicate management." He recognised that Names suffering losses from the old years "will not find a

panacea in the proposals". Brokers were generally enthusiastic. Mr Alan Colls. chairman of the Lloyd's insurance brokers committee, and chairman of Nicholson Cham-berlain & Colls, a Lloyd's brokerage said: The instanta neous applause that David Rowland received when he made his presentation said it all. I think the report has the balance about right. It has to be about the art of the possi-ble. I am glad to see support for the broking community."

Mr Tom Benyon, chairman of the Association of Lloyd's Names, was positive, but added: "It's done nothing to help the injured Names, of which there are 6,000. Many of them are in great financial difficulties already, and it's going to get worse this year. Names who are suffering this year ain't seen nothing yet."

He welcomed the report's recommendations for the future. "It's a first-class, imagiwill lead to a profitable future For the first time in its 300 year history, it's putting the outsiders first, and not the

# Market stays calm as coffee-shop ethos put at risk

and soul of the pusiness remains as it was 300 years ago - a bunch of guys meeting in a coffee shop.

The clubby ethos has remained impervious to the sweeping changes that have turned London's other financial exchanges upside down.
"We're trying to catch up on 300 years
of business," said Mr Reg Brown,
underwriter at R.E. Brown syndicate. "Up until now, Lloyd's syndicates haven't regarded themselves as busi-

Unlike the sometimes freuzled trad-ing floors of the world's feeding equi-ties and commodities exchanges, Lloyd's on a busy day consists of

Total the high-tech 20th-century façade of the Lloyd's Norma Cohen samples the atmosphere during a historic day insurance market, the heart

dark-suited brokers patiently lining up at underwriters' "boxes". Even on the day of the market's greatest single disaster — the destruction of the Piper Alpha oil rig in the North Sea — unflampable brokers went about busi-ness in the usual fashion.

Yesterday, as one of the biggest reform packages ever proposed was announced, business proceeded as usual. Early in the day, syndicate heads and senior officials were called to a briefing, leaving underlings to rely on the rumour mill for informa-tion. We're waiting to read it in the papers tomorrow," said a clerk at one underwriting syndicate.

Seated or kneeling, brokers daily bargain with underwriters, hoping to persuade them to accept a portion of risk in return for the smallest possible

Oil rigs, satellites, ships and inter-national trade transactions are all assets that can be destroyed at any time, causing devastating losses for owners. Underwriters bear those losses if they occur and charge a fee Recent losses have been so great that 20 per cent of Names are pulling

writer, whose view was echoed around the market. "Nobody was screaming for reform when everyone

remain cynical

was making a profit."

Overall, there was relief at the proposed cap to be placed on the personal liability of Names, who now may risk all their personal wealth. "For unlimited liability, they should be getting a 25 per cent return on their money every year," said one underwriter. out of the market, so underwriters and brokers yesterday hoped the pro-posed reforms would reverse the loss "They've only been getting 10 per cent

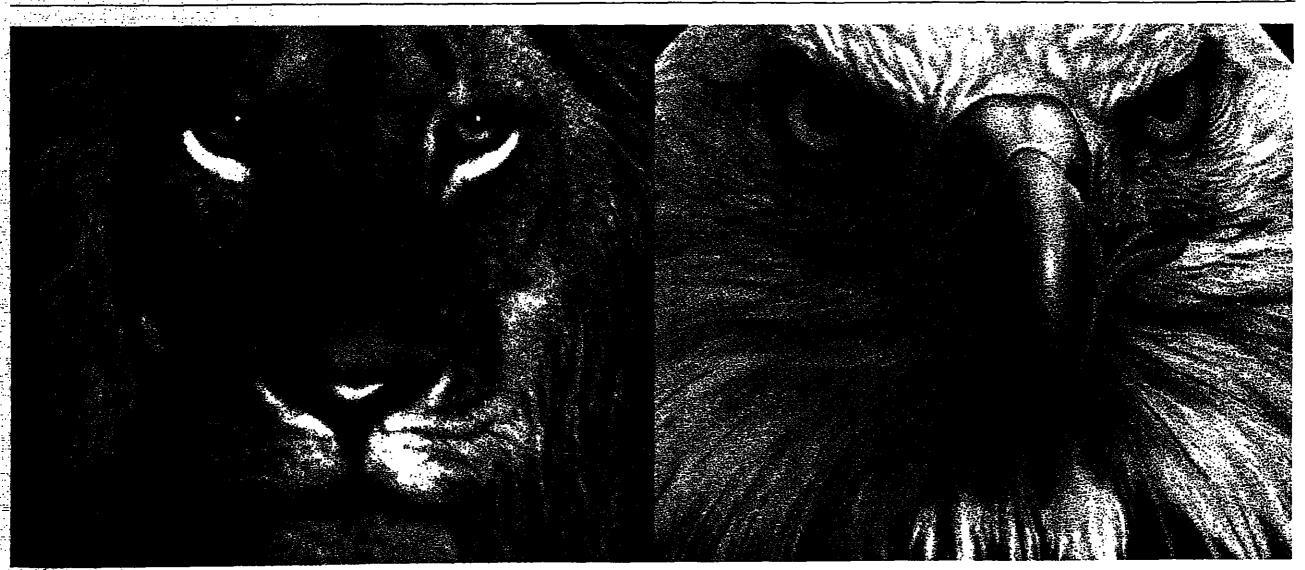
of capital. But long-time members

"Do you know the best way to stop the haemorrhage of Names? Make a profit for them," said one under-

People in the market used to think they were "bomb proof", Mr Brown said, but the market was finally tak-ing a more businesslike view of itself. "I have always said to my lads: We're nothing more than a sweet shop.' If we don't open up in the morning, we don't sell sweets. If we don't sell sweets, we don't make a profit." And the "lads" at Lloyd's are get-

ting the message.

For all its significance in the world's insurance business, however, the revolution of the 1980s appears to have touched Lloyd's little in many key ways. For example, the number of female underwriters can be counted on one hand.



# Willis Corroon because the future belongs to the strong

It was inevitable. Two powerful insurance brokers: Britain's Willis Faber and the United States' Corroon & Black. They looked at the future in the light of shifting political and trade barriers, the increasingly global world of commerce. the importance of the multinational.

They reached the same conclusion: the future belongs to the strong.

And so they combined forces to form a single, global risk management and insurance broking company, Willis Corroon.

The service we offer to clients in the United Kingdom now draws upon the greater resources, the market presence and the global stature that one of the world's leading brokers can offer. Clients of all sizes and in all industries are benefiting.

To reflect this worldwide cohesion, on 1 January 1992, our United Kingdom operation, Willis Wrightson, became known as Willis Corroon.

We still offer you unsurpassed local service from our growing network of offices, where we work with a greater share of the United Kingdom's top companies than any other broker. We still offer creative risk management advice and innovative solutions to risk financing problems.

But now Willis Corroon is in an even better position to help risk managers to face the future with strength.

Willis Corroon. Changing our name is just the first step in changing the way the world manages risk.

For further information contact Eleanor Bird, Willis Corroon Limited, Willis Corroon House, Wood Street, Kingston upon Thames, Surrey KT1 1UC, Telephone 081 787 6000.

WILLIS CORROON 👯



omewhere in the outer reaches of the Himala-yas, a small and spe-cially-trained band of new vocation. Coca-Cola, the biggest soft drinks company in the world, has hired the sherpas to lug cases by backpack up to the lodges where mountain travellers rest.

Meanwhile in Moscow, Coca-Cola is today teaming up with Gavrill Popov, the city's free market oriented mayor, to announce the formation of what is claimed to be the first fully-private joint stock company in Russia since the formation of the Commonwealth of Independent States. The Moscow venture, a pri-

vately-owned business that will manufacture syrup and establish up to 2,000 retail outlets in the city, is part of Coke's assault on the eastern

Coke's assault on the eastern Europe market, a stronghold of arch-rival Pepsi-Cola. In India, Coca-Cola is planning a joint venture that would bring it back to the populous sub-continent for the first time since it left in 1977, after a dispute with the government.

Each example demonstrates Each example demonstrates Coke's drive to strengthen its

international sales volume, It recognises that distribution plays as great a part in a successful marketing strategy as the the traditional concepts of advertising, promotion and other marketing techniques.

It is all part of a master plan described by Roberto Goizueta, Coca-Cola chairman, in Olympian terms: "By the year 2000, we will have Coca-Cola available within an arm's reach of desire of the 6bn people who will be housed on this planet."

Donald Keough, Coke's president, says the corporate goal is to double total non-US sales volume by the end of the 1990s, meaning the company will have to do better than keep pace with the market.

Surprisingly, Jesse Meyers, editor of Beverage Digest, the industry's bible, thinks that this is not a wild objective: "At this point, I don't think even Coca-Cola knows how big it

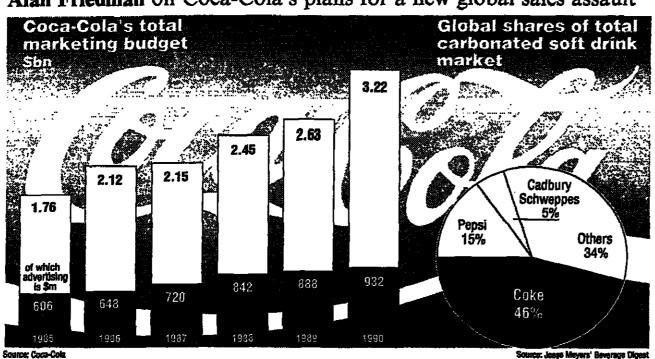
could become."

Coke is already the world market leader in soft drinks, with a commanding 46 per cent share that compares with Pepsi's 15 per cent. In the com-petitive and more mature US market, Coke has 41 per cent. and Pepsi has 33 per cent. Outside the US, Coke claims it sells four times as many cases as Pepsi, while Pepsi insists

the ratio is three-to-one.
For much of the 1980s, the Pepsi was on the famous cola Soft drinks

# The ascent of Everest

Alan Friedman on Coca-Cola's plans for a new global sales assault



Source: Jesse Meyers' Beverage Digest

"the three As", or availability, affordability and acceptability.

The company's goal is to drive volume by selling concentrate or syrup to local bottlers, be they independent or ignt venture postners.

joint venture partners. Local distribution deals are designed

to make the product available.

wars, on Coke's rapidly aborted change to its formula in 1985 and on the high growth US beverage market. Cola wars continue in the US, with Pepsi now aiming for

the younger market segment but profit margins are higher in the European Community and much of the Pacific. Allan Kaplan of Merrill Lynch says that non-US markets offer the best sales growth potential, which is not surprising since Coke's US volume grew by just 2-3 per cent last year. In 1985, about half of Coke's operating profits came from outside the US. Last year,

non-US soft drinks accounted for about 79 per cent of Coca-Cola's operating income and two thirds of volume. Coke spent \$3.2bn (£1,78bn) on selling and advertising expenses worldwide in 1990. Of

this total, only \$932m was spent on traditional advertising in the media. Coca-Cola declines to break down its marketing expendi-ture outside the US; Pepsi spent \$500m last year outside the US. But all of Coke's top executives in Atlanta – each of them sipping incessantly Donald Keough (left) and Roberto Goizueta: master pl

from ice-cold cans of their product - agree that while their brand name may be among the best known in the world, the real challenge is to create the bottling, manufac-turing and distribution infrastructures in each market. In 1992 Coke will boost capital spending by 30 per cent, to around \$1.3bn, much of which

marketing of Coke in newly emerging east bloc democra-cies "is to get a bottle on the will pay for the development of bottling plants and other infra-This is in keeping with

it is priced to make it afforda-ble as a proportion of dispos-able income. Acceptability comes through sponsorships, political contacts, or other means, to infiltrate Coca-Cola into the local culture. into the local culture.

Depending on the country,
Coca-Cola will approach marketing differently. In China,
where Coke has 13 joint venwhere coke has is joint ven-ture plants and is prepared to wait many years before it gets any money out, marketing means buying delivery trucks

> In Japan, Coke last year spent \$500m on 130,000 vending machines, as half the drinks there are sold that way.

rather than spending on adver-

In much of Latin America, the key to marketing is for Coke to supply ice coolers for Dominican Republic and Halti, Coke bought 10,000 push-carts

and trained local people to sell soft drinks in the street. In sort drinks in the street. In Brazil, the key was to make larger bottles in order to take advantage of that market's changing consumer habit. The biggest marketing coup in eastern Europe has been in

what used to be east Germany, where Coke was not available under the Communist regime. The day the Berlin Wall came down in November 1989, executives in Atlanta ordered Berlin employees to hand out free cans of Coke to east Germans as they walked into west Ber-

By February 1990, without any distribution network in place, Coke began trucking cases into eastern Germany from its French bottling plant in Dunkirk. During the year, some 21m cases were sold to wholesalers and retailers by an army of employees from the

At the end of 1990, Coke decided to spend \$450m in east Germany buying and refurbishing the land, buildings and equipment of state-owned bottling plants. The result is that in 1991, Coke says it sold 89m cases in the old east Ger-many and is aiming for sales of 139m cases in 1992.

The market represented by the European Community is one of Coca-Cola's most profitable, accounting for around a third of Coke's non-US soft dripks operating income act. drinks operating income, esti-mated at \$2.1bn in 1991.

But not all EC markets have been easy. France, in particu-lar, has thrown up problems, ranging from past difficulties with Coca-Cola's local bottler to a certain cultural resistance

to the product.
This year Coke is undertak ing a traditional marketing campaign that aims to reach some 42m consumers by a series of sponsorships, conte and other simmicks tied to the winter Olympics in Albertville and summer games in Barce-lona, the opening of Euro-Dis-ney park near Paris, the Seville Expo, Wimbledon tennis, Tour de France and European Cup in Sweden,

Back in the US, one of Coke's most talked about mar-keting moves was the agree-ment last year to hire Michael Ovitz, the Hollywood power broker who chairs Creative Artists Agency, as a consultant. The big idea is that Ovitz will forecast entertainment trends worldwide that will anable Coke to link its products to hits.

The Coke marketing strategy, therefore, is supposed to range from Hollywood to the Himalayas.



# Chewing over the cold turkey

u the 1970's, the Swedish navy set scientists at Lund University a difficult task: how to prevent loss of concen-tration and irritability among cigarette-addicted submariners

who, in the course of duty, were banned from smoking.

Their response was to produce a different way to deliver the essential addictive ingredient of a cigarette — nicotine.

Moral absolutists might argue that the delivery of nicoargue that the derivery of mico-tine by any means should be outlawed. A more practical solution is to switch nicotine consumption from a form recognised to be harmful — smoking — to another believed to be harmless. Lund university scientists some up with a plentine-in-

Lund university scientists came up with a nicotine-impregnated chewing gum. Nicorette, as the product was christened, was launched in the UK in 1980 and sold under licence by Landbeck.

But in the UK, at least, Nicoretie's distributors, found

Nicoretie's distributors found themselves facing a severe marketing sethack; the prod-uct could only be sold on pre-scription from a general prac-

Unlike conventional family loctor prescription drugs, Nicorette did not carry the benefit of a lower, national health service charge. Nicorette's aim is to bolster

the will-power of the smoker who wishes to give up, but finds it difficult to do so 'cold turkey'.

Chewing the gum releases into the bloodstream small

amounts of nicotine which sat-

isty the craving without being So far no nasty side effects have been discovered. Doctor Chris Steele, a GP who uses Nicorette as part of his anti-smoking clinics, says that in clinical trials around

the world Nicorette has dou-bled the success rate of smok-

According to Jeff Birkest of Landbeck, "at any one time in the UK, 6 per cent of the 14m smokers are trying to give up the habit. And 75 per cent will have tried to stop smok-ing at one time or another. The marketing headache

was finally removed in May 1991, following two years of exhaustive investigation by the Department of Realth and other official scientific bodies. other official scientific bodies.
Lundbeck succeeded in having Nicorette's status changed from a "prescription-only medicine" (POM) to a "pharmacy product", which could be sold freely by pharmacies.

Lundbeck and Kabi Pharmacies, soon to be responsible for UK marketing, have now initiated an advartising drive for

ated an advertising drive for Nicorette, capitalising on its new-found freedom. Habi plans to spend 23m on UK advertising this year, according to David Hewitt, Kabi's senior product manager. The first television commer

The first television commercial started running early in January. It takes a humorous look at the fears of would-be non-smokers, done by the cartoonist Gray Joliffe, through the Windsor-based ad agency Militons. It will be promoting the gum heavily in the run-up to the IK's annual anti-smoken. to the UK's annual anti-smok-ing day in March. Nicorette's commanding

lead in the stop-smoking prod-uct market is soon to be chalnct market is soon to be chal-lenged by such devices as a nicotine-impregnated patch worn against the skin. The irony is that an addiction-propping gum should finally be getting the freedom to advertise heavily when the EC looks increasingly set to ham looks increasingly set to ban advertising of its biggest rival - the fag, the cancer-stick, the - the cigarette.

Gary Mead

#### TECHNOLOGY

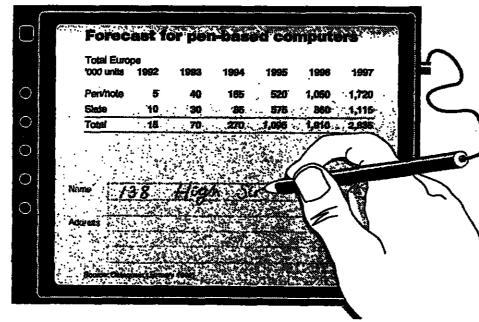
Computers without keys are proving their worth in business and industry, writes Della Bradshaw

Nowhere is distribution

more important than in east-

ern Europe, where thanks to a Nixon-era deal, Pepsi-Cola out-selis Coke. Neville Isdell, the man who negotiated the new Moscow venture, says the best

# Pen is mightier than the board



engineers visit garages to assess crash damage, they send the information back to the computer centre so the repair costs can be calculated. At the moment they use either a phone line, with a modem, or the Celinet cellular radio network. Soon they could have Audatex, the vehicle damage assessm company, is already talking to Euchison Mobile Data, of Hertford, about using its data information. Hutchison, which is plauning to offer commercial services to urban areas and motorways before the middle of the year, is one of several companies to have developed such services. Others include Cognito,

which has developed a two-way paging service, and Ram Mobile Data. Pakust, owned by the Vodafone Group and Cable & Wireless, is also planning to enter the market - it already has a service for sending radio data from fixed terminals, such as credit card verification units.

Such services will prove less expensive than the because they are designed specifically for data traffic which take up less radio spectrum than voice calls.

Data companies envisage

the service engineer as a prime target for their services. Other forms include sales and distribution, as well as financial services for sending information on share To use the network a

separate modem can be attached to the laptop, pen computer or electronic dlary, although eventually the modems will be built into the machines. For Paknet, which launched its service in 1990, products with built-in odems are available. The biggest customers

have proven to be burgier aların manufacturers. "When burgiars come they cut the phone wires," points out John Smith, Paknet's commercial director. "We've had outte a few cases where the burglars cut the wires and the police have come along and caught them."

the laptop computer represents the latest in blue-sky technology tantamount to nuclear fusion or rocket research. No so at the London & Edinburgh Insurance Group, where the most sophisticated laptops are already been edged towards the door.

They look set to be ousted by

or many businesses

pen-based computers, elec-tronic tablets reminiscent of a Victorian school slate, complete with a stylus or "pen". They are now on trial with the insurance company to assess the damage claims made by garages for the repair of crashed vehicles. "We hope generally to save time and money," says Clive Fletcher, claims director at London & Edinburgh.

At the moment when Lon-don & Edinburgh engineers visit the repair centre they take a laptop computer and a sheaf of report forms which represent the vehicle diagram-matically in an exploded form. The assessor notes the sections of the damaged vehicle which need replacing and marks sections on the report forms.

Code numbers referring to each part are then typed into the laptop and the data are sent over a communications link to a mainframe computer belonging to Audatex, the Wat-ford-based vehicle damage assessment company. The mainframe calculates the cost of parts and repairs, even down to items such as whether the paintwork is matt or metallic. This repair cost is then sent back to the laptop. The time-consuming part of

the operation is transferring the data from the worksheets into the laptop. Geoffrey Sharp, chief staff motor engi-neer at London & Edinburgh, hopes the pen-based machines will do away with that duplica-tion. "We're engineers and although we've taken to key-board skills quite well, we're still not that quick at it."

Instead of the worksheets, the trials have put Gridpad pen-based machines, from Vic-tor Technologies, part of the Tandy group, into the hands of ors. Displayed on the screen are the expanded vehicle diagrams. But by touching individual components of the car on the screen with the pen, the machine automatically records the parts that need replacing. That data can then be sent over the com-munications line directly from the hand-held machine.

Sharp believes that the draw-

backs in the system are more

with the software that the

hardware - London & Edin-burgh is looking at systems from both Grid and the US computer company NCR. In particular, it has proven impractical to put diagrammatic descriptions of every car on the market on to the Auda-

Each expanded diagram takes up about 700 kilobytes of managing director of Audatex. Audatex is now supporting 32 vehicle models on the Gridpad, which includes more than 1,100 derivatives and accounts for about two thirds of the cars travelling on UK streets.

But, says Leonard, repairers should choose about 15 of the cars that they repair most fre-quently and keep copies of the appropriate diagram on floppy discs. "For example, a Porsche dealer is unlikely to want to repair a Ford," he says.

Bill Clough, president of Microslate, the Montreal-based pen computer maker, believes that the only answer to mem-ory limitation is to use CD- memory). Then when an accident assessor visits, say, a Ford garage he or she could insert the Ford disc, or replace that with a Toyota disc if visit-ing a Toyota repair centre.

In North America Microslate is targeting blue-collar workers with its pen computer – delivery men, warehouse overseers, or retail floor staff. "This is because in the US the white-collar market is 95 per cent saturated with computer technology," says Clough, "The blue-collar workforce is only 11 per cent saturated."

In Europe manufacturers take a different view, says Alasdair Macgregor, UK mar-keting manager for workstat-ion systems at NCR. "Initially we're siming at the mobile we're aiming at the mobile white-collar worker. That is where most corporations can get the best return on their investment." Included on Macgregor's list of professions, which he describes as "very, very, very varied" are engineers, insurance personnel, doctors and even architects.

One software developer

working with NCR to produce a package for architects and surveyors is SurvSoft, of Weston-Super-Mare. The company expects to have a system on the market before the middle of this year to aid surveyors when they are called in to refurbish buildings.

The SurvSoft software, now

in the final testing stage, con-tains a visual collection of building components - walls, floors, ceilings, wiring and so on. By touching the appropri-ate component with the pen, the surveyor can put them together to give an accurate representation of the building in what Pitman calls "two and a half D" - the height, length and depth are included but the diagram has no true perspective. The appropriate measure ments are inserted by calling up a calculator pad on the screen and then indicating the

appropriate figures. Pitman points out that at £4,500 for the hardware and software combination the equipment costs about the same as doing a survey of a

high-street premise. "As it douies the speed of the surve believe it pays for itself after just two surveys," he says.
Such applications could

Such applications could speed the acceptance of pen-based systems, says Chris Fell, industry analyst at informa-tion technology research group Dataquest. "It's an applications driven market," says Fell.

"In the past company X has come out with a wonderful new box and become have

new box and people have bought it. That is no longer the case. Now people see they can get by with all the equipment they've got and that is one reason why we have seen a fall in the personal computer mar-ket." he adds.

The software developed by SurvSoft relies on the surveyor only to use the pen to highlight pictures and figures — no keyboard is needed, nor does the surveyor have to write information on the surveyor have to write information on the light proper mation on the pad. Fell refers to this category of machines as pen and notebooks, and dieves this will be the first

stage in the development of the technology.

The second stage will be true "slates" on to which the user can acribble words which the system will be able to recognise. Fell predicts it will be 1994 before such systems become reliable enough to find widespread acceptance. However some small handwriting recognition elements are

recognition elements are already proving useful. A further factor which could inhibit the growth of the market is the choice of operating system for the pen systems. SurvSoft, for example, uses "windows" software, enabling the software developer to put the software developer to put pictures or "lcons" on the screen. This approach is being pushed by Microsoft with its Pen Windows adaptation of the popular Windows software

environment.
Although this will enable ers to adapt Windows applications for use on pen-base systems, many believe its life-span will be limited because it is merely the adaption of a desk-top operating system for use with a hand-held machine. Of more longer-term promise, believes Fell, is the Penpoint operating system developed by Go, the California

start-up company, specifically for pen-based portables. Whatever the outcome, many believe that the emerging pen technology could be the next revolution in comput-ing. I think this is a piece of technology which is really here to say," says London & Edin-burgh's Fletcher. "Not just in our industry but in many others as well."

# **Barnacles forced** to jump ship

By Tim Burt

n a summer's night in 1988 a fireball enguifed one the largest oil platforms in the North Sea, the Piper Alpha, killing 167 workers and throwing burning metal and spouts of fire and smoke into the sky. The heat from the blaze was

so intense that the MSV Tharos, the firefighting vessel assigned to the rig, was forced out of the area.

Survivors of the disaster condemned the reaction of the Tharos, a ship built on the advice of Red Adair, for failing to turn its high-powered hoses on the rig.

Research scientists now claim Tharos was ineffective on the disaster night because its cooling systems were so clogged with marine organisms that it could not develop full power in its engines and fire-fighting equipment.

The organisms — ranging

from barnacles and mussels to microscopic bacteria — flour-ish in the seawater taken on-board ships through cooling pipes below the waterline.

On the Tharos and other ves-sels "fouling" by such organ-isms has been blamed for blocking pipes and imming blocking pipes and jamming valves, causing serious corro-sion and leading to a loss of

Concerned at criticism of the Tharos, the owners Occidental turned to scientists at the University of Sheffield who have pioneered new technology aimed at preventing the build-up of marine organisms

in ocean-going vessels.

Occidental, whose North Sea
assets have since been sold to
the Anglo-French joint venture the Angio-French joint venture Elf Enterprise, abandoned the old anti-fouling system on its firefighting ship and installed equipment developed by Biofouling and Corrosion Control (BFCC), a company which was set up by academics in Sheffield under a technology transfer scheme.

Led by Brent Knox-Holmes, the BFCC team discovered that they could nearly eliminate fouling in pipes by creating an electrolysis in the sea water using a metal oxide electrode producing chlorine and a copper electrode producing copper

The current from the metal oxide electrode converts the

sodium chloride - or salt - in seawater into chlorine, which deters marine organisms.

The scientists found the chlorine acted in synergy with

copper ions from the other electrode to disrupt any fur-ther settlement of algae or moi-

In the past, fouling was con-trolled by either dousing pipes with large amounts of sodium hypochlorite — a hazardous chemical not easily stored at sea - or dissolving copper directly into the water, an expensive and environmentally

damaging solution.
Following commercial tests at laboratories in the UK and US, the BFCC system has been adopted by AP Moller, the Danish shipping line, which has fit-ted 21 vessels with the new copper-chlorine treatment, According to Knox Holmes, the Danes were attracted by the low environmental impact and reduced maintenance costs of

BFCC. He claims the BFCC system is 90 per cent more efficient than dousing with sodium hypochlorite and 80 per cent better than using copper on its

His arguments have convinced not only the environ-mentally-aware Scandinavians (Fred Oisen Line and J Lauritzen Shipping are using BFCC too) but also industrial concerns such as Amoco and Con-

Orders from the two oil exploration companies have marked the successful divergence from anti-fouling on ships to other applications. Amoco has fitted BFCC equip ment on four gas platforms, while Conoco uses the system.

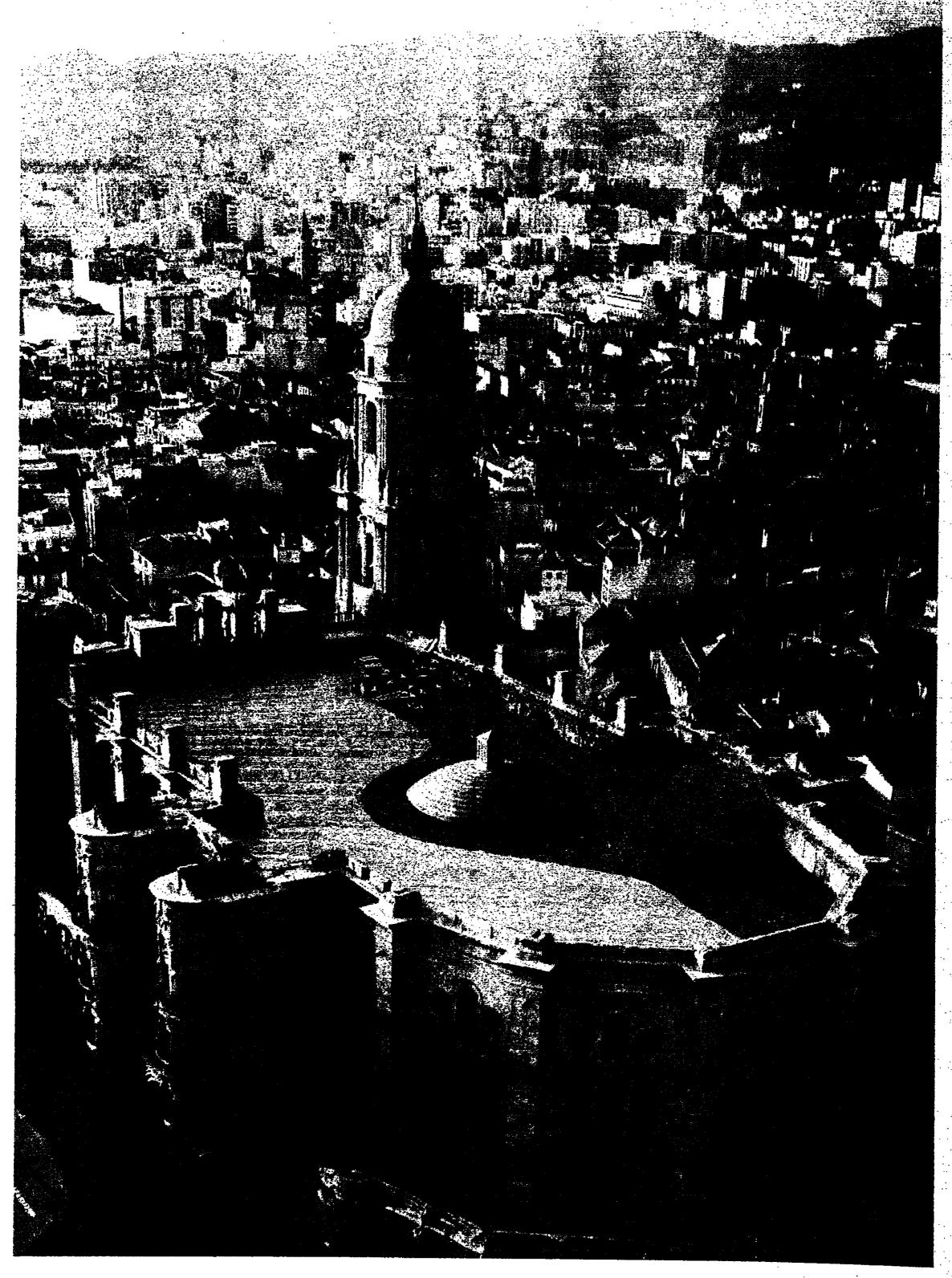
on three oil rigs.
With patents awarded in Britain and the US, and others pending in the Far East, the academics at BFCC are now looking at ways of adapting their system for power stations, desalination plants and fresh water use.

"We are setting new stan-dards for biofouling control." says Knox-Holmes.
"Had the MSV Tharos had

our system installed at the time of Piper Alpha, it might have developed full power to hose down the rig, he adds. "Our system is not installed." "Our system is not just cleaner but safer."







Where will you find one church for every 237 farmers?

Europe. Nowhere else on earth presents such a challenging mix of traditions and cultures.

And to meet this challenge, Shell looks, above all, for local solutions. For example, to repair the fragile

16th century structure of Malaga cathedral, a special blend of Shell 'Epikote' epoxy resin was developed.

Meanwhile, in Italy, farmers find their tractors
easier to maintain, thanks to Shell 'Harvella', a multi-

purpose tractor oil, which is a brake, gearbox and engine lubricant in one.

Small things, perhaps, to a big corporation.





# La Fille

Ballets change. No matter with what care a company may seek to preserve its choreographic patrimeny, the erosions brought about by the transmission of steps from one dancer to another, from one genera-tion to another, bring mutations in text and style. Tech-nique changes, bodies change, and worst of all, those muances of feeling wherein lies the spirit of the choreography, are lost or distorted. Frederick Ashton was really only interested in first casts. What happened to his ballets after them was an inevitable process which subtly altered, and per-haps diminished, his creation, Yet managerial good sense has dictated that his ballets must be seen on fresh bodies every year. The task for the new casts is not only to preserve the letter of the text (which, by itself, killeth) but to honour the work's spirit (which giveth

La Fille mai gardée is, more than any other Ashton creation, is plainly a cast iron, change of cast proof, ruin proof work of genius. Its structure is a marvel of integration between ensemble and solos. Its marrative is taut, as grounded in good sense as a Molière comedy, and as rich in Molière comedy, and as rich in human feeling. Its dances seem an effortless outpouring of pastoral delight — and the testimony of members of its first cast suggests that its creation was of the happlest. Looked at dispassionately its virtues are superabundant, and unifawed: there is not a dull or ninecessary step in it, nor a moment sary step in it, nor a moment when the attention is sated by

dance or drama.

Happy, then the young inheritors of its leading roles, as we saw on Monday night as we saw on Monday night when Flona Brockway and Tetsuya Kumakawa took the stage for the first time as Lise and Colas. Both are bright, gifted artists who find much to 
engage their talents in Fille, and much to delight us. They 
both play for quick, vivid physical effects. Understandably, 
they see their debuts in terms 
of physical hurdles to be sunnily overcome, and there were nily overcome, and there were many rewards in Miss Brock-way's buoyant, sparklingly accented point-work - like the easiest coloratura – and in Mr Kumakawa's bounding virtuos-ity and in his multitudinous pirouettes (I fancied that he turned nine in the last act coda). Dramatically these per-formances were lively. Miss Brockway is Widow Simone writ young, with temperament and to spare, there is no doubt about the ardour that Kumakawa's Colas feels for Lise,

Yet I was most touched by both performers in the very closing scene of the ballet, when Miss Brockway became gently adoring in Colas's arms, then moved with a lovely spa-ciousness through her final solo, and when Kumakawa ited the intense happiness that Colas knows now that Lise is his. Such joint sincerity and sweetness of feeling was the quality that marked these characters in their creation by Nerina and David Blair, and it is the life giving spirit of the ballet.

From Iain Webb an Opera House debut as Alain marked by real depths of emotion. He gives the simpleton a puppyish eagerness and incomprehension of worldly ways which generates true pathos in the moment when he discovers Lise and Colas in each other's arms. From David Birtley and David Drew their customary fine readings of Simone and Thomas. From the company, splendid dancing.

Clement Crisp

#### **CINEMA**

# mal gardée Interlocking hearts face difficulties

"Frankie And Johnny were lovers, Frankie and Johnny..." And there memory fails me. What else were Frankie and Johnny? What else did they do in their short but chart-top-ning lives? ping lives?

the film, their pop song fame created the coup de foudre conditions whereby Al Pacino as a short-order cook called Johnny met and fell in love with Michelle Pfefffer as a plain (sic) waitress called Frankie. The scene is a Brooklyn greasy spooner called the Apollo Cafe. Here hamburgers and eggs-n-fries and patty melts keep whizzing past director Garry Marshall's camera as if to show that two hearts in love had better get a move on if their arteries are not to clog up first with saturated fats.

Meanwhile down in the Deep South in Mississippi Masala, directed by Mira Nair of Salaam Bombay, two more hearts try to interlock in the face of difficulties. Mina (Sarita Choudhury), an Indian girl from Uganda, loves Demetrius (Denzel Washington), a black carpet cleaner from Greenwood, Missis-sippi. But tribal factionalism is rife in the South, even among immigrant brethren. So a one-night passion in a motel brings the young couple's dynastic worlds crashing around them. Aunts and uncles throw fits and brothers and cousins throw

Each of these love stories sets its alarm clock by the "two hours' traf-fic" (give or take five minutes) of Shakespeare's influential Romeo And Juliet. But while this is a short time in which to watch passions flare and clans clash in old Verona, it seems like forever when watching trumped-up screen romances where Love's Tragic Obstacle, hereinafter referred to as LTO, seems either non-existent (Frankie And Johnny) or politically contrived (Mississippi

Masala).

FRANKIE AND JOHNNY
Garry Marshall

MISSISSIPPI MASALA

LITTLE MAN TATE

Jodie Foster

FREDDY'S DEAD: THE FINAL NIGHTMARE Richard Talalay

> **DERSU UZALA** AKIRA KUROSAWA

yourself over the head with your press handout to remind yourself that Michelle Pfeiffer is meant to be unattractive; hence the hesitancy and "last chance" element in her romance with Mr Pacino. For the poor girl, we are told, has not had a scrious date in three years. (In Terrence McNally's original stage play Frankie was played more plausibly by pudgy Kathy Bates of *Misery*).

So please ignore Pfeiffer's Gene

Tierney bone structure and perfect lips and concentrate on her hair. This has been made telegraphically dowdy. Except when she curls it for a mid-movie night out and looks fit to slay le tout Brooklyn. For this occasion her gay flatmate also picks out for her the One Wearable Frock in her wardrobe, another slayer of course, hereinafter referred to as the OWF. But love is blind. Peering through the New York night or through the Apollo Cafe steam as he swings his big cucumber chopper, Mr Pacino, acting with a charm far beyond the call of duty, sees only an ugly duckling awaiting his transfor-mative kiss.

Of course the OWF helps to overcome the LTO - except that we keep forgetting what the LTO is, having been socked between the eyes by the form-fitting OWF – and Frankie and Johnny end up effecting Hollywood – meaning Frankie

And Johnny – specialises in invisible LTOs. As a critic you have to hit the destined emotional merger.

The film, I may have indicated by now, is almost completely dotty. When not focusing on Mr P and Miss P, director Marshall (late of Pretty Woman) whirs around the case tak-ing in such only-in-a-movie lovables as owner Hector "I breeng you all the way from Greece" Elizondo and his wife; easy-lay waitress Kate Nel-ligan, plus heart of gold; and assorted wacky customers. And just when you think sentimental folly can go no further, we have Mr Mar-shall's one bid for stylistic virtuosity. This is a tender-talking street scene between Pacino and Pfeiffer in which the couple's words sonically dissolve into music while a florist's

lorry behind them opens up to reveal a million flowers. Oohh. Aahhh.

Mississippi Masala is, as one would expect from the British-produced item in the week's romantic twin-pack, at once more serious and less fun. No Hollywood schmaltz, no peak-condition screen goddesses playing plain Janes. The LTO is racial bigotry and OWF stands not for One Wearable Frock but for Only Way Forward. The OWF in the world today, as Sir Richard Attenborough has so often told us, is for creeds and colours to unite. And here is Sir R's very own Cry Freedom star Denzel Washington playing the nice black boy who will rescue our Ugandan-Indian beroine from the coloureds-ver-sus-coloureds prejudice of his and

A running joke is provided for American audiences, who need of course to be told what an Indian is. So people keep saying "Send them back to the reservations" and Mr Washington keeps saying "How many times I got to tell you, they're not that sort of Indians." And so the long day wears on Unlike Salaam Bombay, Mira Nair's new film is painfully alphane cettifules and actions of the salaam day made and the salaam and the salaam and the salaam day made and the salaam and the salaam day made and the salaam and the sa modern-day race attitudes and painfully contrived in the way it routes its central romance through the appropriate stations of bigotry. In Sooni Taraporevala's screenplay the message clearly took shape first, the

plot and the people second: always an error in priorities.

The week gets worse, I fear. Little Man Tate is the directing debut of actress Jodie Foster. She also stars as the mother of an infant prodigy (Adam Hann-Byrd) who could read at one, write poetry at four and play the plano at competition level at six. We meet him at seven, which

should be about drinks time in a life as hard-working as this. But despite Miss F's profession as a cocktail waitress - somewhere in Chinatown to judge by the Shanghai Lili dress she wears to and from work - the boy is a goody two-shoes and so, alas, is the film. Like a television problem-of-the-week movie, it slaloms between triumph and tragedy, plinked out with piano music and with lines like "Oh, what have I

This last is uttered by Dianne Wiest as the boy's unthinkingly cere-bral teacher-guardian. An ex-prodigy herself, she is America's answer to a Hampstead intellectual. She feeds Fred macrobiotic drinks (he throws up), pushes him into university ten years before his time (he is mise ble) and is then surprised that she has a crisis on her hands.

Happily - for Fred, that is, we the audience being too numbed to care - Miss Foster rushes into the waiting emotional vacuum in the ast scene and clasps the boy to her bosom. The boy, still the only sensi-ble presence in the film, looks as intelligently frightened as he has throughout. Like us he seems to be thinking: Why are two Oscar-winning actresses running around inside this stalled vehicle trying to make it move by footwork alone? Scott Frank of Dead Again wrote the script; the video is due out later this year, you may wait.

Freddy's Dead: The Final Night-mare is the latest and we are assured the last visit from Old Pizza-Face. I have a dreadful feeling that enjoyed this film. For 90 minutes I



Michelle Pfeiffer and Al Pacino in 'Frankie and Johnny'

janitor who, if he ever met an infant prodigy, would know what to do with him.

This adventures climaxes with a 3D sequence in which various creatures come out from the screen and dip their toes in your 7-Ups. You need to don the cardboard glasses, which I perched precariously on my spectacles, but it is only for ten min-utes. Prior to this it is a walpurgis-nacht for special effects and the plot bravely tries to keep up. I shall miss Freddy Krueger, played here with even more relish than usual, not to

mention more pizza toppings, by Robert Englund.

Finally, one from the arthouse. Kurosawa's 17-year-old Dersu Uzala, sombre and resplendent, unfurls at the ICA. Made in Siberia, this tale of snowbound friendship between a Russian explorer and a peasant has a rough majesty that keeps out sen-timentality and an epic humanism that never keeps out humour. Do not wait for the video.

**Nigel Andrews** 

# The Distant Sound

GRAND THEATRE, LEEDS

Franz Schreker's Der ferne Klang, titled The Distant Sound in a new translation by the conductor Paul Daniel, receives its first British production from that boldest of British companies, Opera North This is an event of some importance, for the work itself is a milestone of German opera during the first decades of the century.
A first opera (Frankfurt,

1912) by a previously little known 84-year Viennese Jew who was also his own librettist, it had a smash-hit capped with those of Die Gezeichneten (1918) and Der Schotz graber (1920). Thereafter the tide of fashion changed, and the advent of the Nazis completed the rout of Schreker's reputation with brutal finality: in the early 1930s he was deprived of his high-profile Berlin teaching post, and died of a stroke.

In recent years the re-exami-nation of his music has proceeded apace. Der ferne Klo has already turned up in sev-eral European cities and two recordings; other Schreker rediscoveries have also been undertaken, which chimes with the growing European interest in the major musical figures of the Austro-German musical culture - not just Strauss and Schoenberg in what may loosely be termed

the Weimar years.
On the evidence of Tuesday's Leeds first night, I have to say that the case for the Schreker revival seems not at all proved. let alone won. The most prized feature of the opera was, and



Centre: Fiona Kimm and Virginia Kerr

remains, its instrumental sound-world – the shimmering, deliquescent, ravishingly blended woodwind-harp-and-ce lesta sonorities welling up out of the orchestra pit whenever the opera's central male figure, the composer Fritz, is depicted in obsessive search for the "distant sound" that repre-sents his artistic inspiration. Wherever this recurs, particularly in the opera's opening and closing stages, the aura of late-Romantic rapture proves enduringly potent: Schreker seems to fuse the worlds of

Debussy and Strauss.
Elsewhere, I fear, we are left with little more than a pre-Hollywood penny dreadful. Fritz abandons his village sweetheart Grete, who sinks into

prostitution; in Act 2 she's the top attraction of the Casa di schere, a Venetian brothel Fritz encounters her there, for reasons never made clear. and spurns her. In Act 3 she turns up, now a shabby street-walker, for the premiere of his unsuccessful new opera. The Harp, and they are reconciled - mortally ill, he dies still searching for the proper com-pletion of his opera, rather like Zivny in Janaček's roughly contemporaneous Osud.

Though these and other scenes are built up with recourse to original and sophisticated effects - clearly the use of onstage band and piled-up simultaneities was to work a strong influence on the

writing of Wozzeck - the gap

Schreker believer, pilots the opera with sympathy and tenderness, but the *Klang* produced by the orchestral config-uration defeats his best efforts. Then, alas, there is the matter of the production - a Brit-ish debut in this field by the

rates out in thin strands – and which, in full cry, drowns the voices. Mr Daniel, obviously a

much-loved mezzo Brigitte Fassbaender, using the sets and costumes (utilitarian and hideous) of Ultz. A moment or two in the unfolding of the central relationship suggest that she worked closely and well with the singers, Kim Begley and Virginia Kerr; but Miss Fassbaender's control of the opera's larger forces is of a stiffness and, indeed, inepti-tude that defy description. The Act 2 brothel-scene comes complete with female revenants from the J. Arthur Rank Charm School and some incredibly genteel drag queens; one would guess that the producer's purpose was send-up, except that there's no hint of bolic mouthpieces, not charac-ters; in this respect I find it wit or definess in her handling.

In spite of the orchestral barrage, there is some impressive singing. Mr Begley and Miss Kerr both reveal "youthful heroic" voices of exactly the right sturdily appealing kind (I hope she will press no harder for volume); other performers notably involved include Fiona Kimm, William Dazeley, Peter Sidhom and John Hall. In sum, though, and to be cruelly and regretfully frank, Opera North appear for once to have vastly overreached themselves.

Max Loppert

#### Noble unveils his first season at the Royal Shakespeare Company

of the Royal Shakespeare Com-pany. Sir Peter Hall returning to Stratford after twenty four years to direct All's Well That Ends Well at the Swan; Terry Hands returning after 24 months to direct Antony Sher in Marlowe's Tamburlaine the Great, also at the Swan; and Kenneth Branagh playing Hamlet, again, at the Barbican in Adrian Noble's first produc-

tion of the play, are among the highlights. The five Shakespeare plays opening at the Royal Shakespeare Theatre in Stratford include Antony and Cleopatra for the first time since 1978, with Richard Johnson and Clare Higgins in the title roles. Also on offer are The Taming of the Shrew. As You Like It, The Winter's Tale, and Merry

Wines of Windsor.
The Swan, which had a very successful 1991, presents its first musical, The Beggar's Opera, and a revival of A Jovial Crew, written in 1641 and last revived in 1724. It marks the Stratford directorial debut of Max Stafford-Clark.

The Other Place has a production of Richard III. with Simon Russell Beale as the King, which will tour the country when a sponsor can be found, plus two new works, The Odyssey, a reworking of the Greek myth by the Caribbean poet Derek Walcott, and The School of Night, by Peter Whelan, which is set in the London of Christopher Marlowe.

Apart from Hamlet the Barbican has transfers from last year's Stratford season, with

An upbeat Adrian Noble unveiled yesterday his first full programme as artistic director the exception of Julius Caesar and Twelfth Night which were not reckoned to be worth the trip. There are also two premi-ères, Columbus by Richard Nelson and a play, not yet titled, by Peter Shaffer, which will also be directed by Sir Peter

Despite the 53m deficit which hangs over the RSC, Adrian Noble was in bullish mood. Audiences were up in 1991, when the Company played to over one million peo-ple, and the year will show a small profit. Noble is making minor innovations both in opening a Shakespeare play transferring it to Stratford in 1993, and by building up suces from last year's season at the Swan, such as The Two Gentlemen of Verona and The Alchemist, for the big stage at the Barbican rather than condemning them to the Pit.

#### **Antony Thorncroft**

Mendelssohn **Foundation** 

A Mendelssohn Foundation has been established in Leip zig, Germany, based at the Gewandhaus, home of the Leipzig Gewandhaus Orchestra. Its first task will be to rescue the Mendelssohn House, the composer's residence in Leipzig, from years of neglect and hotel. The Foundation plans instead to establish it as an international cultural centre. The Royal Philharmonic Society, based in London, was invited to become one of the founder members.

# International -TODAY'S EVENTS

#### **AMSTERDAM**

Concertgebour 20.15 Riccardo Chailty conducts the Royal Concertgebow Orchestra in Schoenberg's First Chamber. Symphony, Bruno Maderna's Grande aulodis and Ravel's La Valse. The programme is repeated on Sat evening and Sum afternoon, with Lato's Cello Concerto (soloist Jean Decroos) replacing the Maderna, Tomorrow, Barbara Hendricks sings Mozart arias. Sat afternoon: Valery Gerglev conducts a concert performance of Tchalkovsky's opera The Sorceress (6718 345)

■ BARCELONA Grad Teetre del Liceu 21.00 Mark Ermier conducts Gilbert Defic's production of Tchalkovsky's Queen of Spades, with a cast led by Natalia Romanova, Leonie Rysanek, Ciaire Powell, Jan. inkhof and Sergey Leiferkus. Runs till Jan 31, with next

performance on Sun at 17.00 (412 Palau de la Musica 21.00 Members of the Barcelona City Orchestra play chamber music by Thulle, Francalx and Poulenc. Tomorrow.

Sat and Sun: Garcia Navarro conducts Beethoven's Third Symphony and Brahms' First Plano Concerto, with Rafael Orozco (268 1000)

#### **BERLIN**

Komische Oper 19.00 New production of Hans Werner Henze's ballet Undine, staged by Arila Siegert. Tomorrow: La bohème. Sat: Tom Schilling's production of Prokofiev's ballet Romeo and Juliet. Sun: Handel's Glustino (East Berlin 2292 555) Schauspielhaus 20.00 Siegfried Kurz conducts the Berlin Staatskapelle in Dvorak's Sixth Symphony, Gershwin's An American in Paris and Kurz's Trumpet Concerto with Carole Dawn Reinhart, repeated tomorrow. Set and Sun: Gustav Kuhn conducts Schumann's Das Paradies und die Peri (East Berlin 2272 261) rmonie Kammermusi 20.00 Aulos Wind Quintet In a programme of music by Reicha, Francaix, Foerster and Ravel. Tomorrow: Ysaye Quartet. Sat: Guarneri Quartet (West Berlin 2614 383), Sun and Mon in SFB Grosser Sendesgal: Nikolaus Harnoncourt conducts the Berlin Radio Symphony Orchestra in music by Haydn and Mozart (3027 242)

#### **BRUSSELS**

Palais des Beaux Arts 20.00 Vladimir Ashkenazy conducts the Royal Philharmonic Orchestra in music by Barlioz, Britten, Dellus and Ravel, Tomorrow: Ronald Zoliman conducts the Belgian National Orchestra in Mozart, Mendelssohn and Berlioz, with violin soloist isabelle van Keulen. Sat: Prague Operetta Theatre production of Die Fledermaus (507 8200). Sun: Antonio Pappano conducts the Orchestra and Chorus of the Monnaie in Verdi's Requiem

**■ FRANKFURT** Atte Oper 19.30 Eliahu Inbal Symphony Orchestra in Deryck Cooke's realisation of Mahler's Tenth Symphony, also tomorrow. Sat Homage to Duke Ellington. Sun morning: David Shallon conducts Mahler's Fifth. Sun evening: Neville Marriner conducts Haydn's Creation. In the Mozart Saal tonight at 20.00: cello recital by Heinrich Schiff. Tomorrow: an evening with Mauricio Kagel. Sat: Scottish Folk Festival. Sun: Francois Le Roux sings Schubert Schoeck, Duparc, Debussy and Ravel (1340 400) Opernhaus 20.00 Three choreographies by Amanda Miller, also Sun. Tomorrow: Macbeth. Sat: Arladne auf Naxos (236061)

#### **■ LONDON**

THEATRE All My Sons: Arthur Miller's early masterplece draws a picture of two families facing bereavement, divided responsibilities, guilt and responsibility for the past. David Thacker directs, with designs by Fran Thompson and lighting by Jim Simmons. Ian Bannen plays the part of Joe Keller. Starts previewing tonight, Press night on Tues, runs till March 7 (Young Vic 071-928 6363). Faith Healer: Brian Friel's play is produced by the Abbey Theatre

Dublin, which had recent West End

hits with Dancing at Lughnasa and Hedda Gabler. The cast, directed by Joe Dowling, includes Sinead sack, Ron Cook and Donal McCann. Starts previewing next Tues, Press night on Jan 24, runs till Feb 16 (Royal Court 071-730

between technical complexity

and plot slenderness, not to

say banality, grows unbridgea-bly wide. The roles are sym-

instructive that all Schreker's

creative individuality appears to have been spent on the

orchestra, leaving the voice parts to sing out in a kind of post-Wagnerian autopilot.

I said earlier, "on first-night Leeds evidence". It is a crucial

proviso. The Grand pit proves

too small for Schreker's orches-tra; additional instruments

have to be housed on the stage

itself, in tiers around a raised

acting-area, with the disas-

trous consequences for Schrek-er's subtly blended scoring,

which most of the time sepa-

 Painting Churches: Tina
 Howe's play is directed by Patrick
Sandford, with Leslie Phillips, Sian
Phillips and Josle Lawrence. Currently previewing, Press night next Wed (Playhouse 071-839 4401). The Cabinet Minister: Maureen Lipman carries the show in a Pinero comedy which was lambasted by the critics but is enjoying a popular run. The cast also includes Derek Nimmo (Albery

071-867 1115). For ticket information about all West End shows, phone Theatreline from anywhere in the UK: Plays 0836 430959 Musicals 0836 430960 Comedies 0836 430961 Thrillers 0836 430962

Covent Garden 19.30 Frederick Ashton's Royal Ballet production of La fille mai gardée. Tomorrow: Nutcracker. Sat afternoon and evening: Giselle (071-240 1066) Royal Festival Hail 19.30 Final performances of Ben Stevenson's English National staging of The Nutcracker: tonight, tomorrow and on Sat afternoon and evening (071-928 8800)

Queen Elizabeth Hall 19.45 Lydia Mordkovitch, accompanied by Marina Gusak-Grin, plays violin sonatas by Beethoven and Saint-Saens. Tomorrow, Sat and Sun: Compagnie Philippe Genty (071-928 8800) Barbican 19.45 Ratael Frühbeck de Burgos conducts the London

Symphony Orchestra and Chorus in Beethoven's Choral Fantasia and Ninth Symphony. Tomorrow, Sat and Sun; BBC Berg Festival (071-638 8891)

#### **™MADRID**

This week's programme at the Auditorio Nacional de Musica includes a concert tonight by the Classical Orchestra of Madrid, with music by Haydn, Guibert and Stravinsky.
Tomorrow, Sat and Sun, Waiter

Weller conducts the Spanish National Orchestra in music by Arriaga, Halffter and Beethoven (337 0100)

#### **■ NEW YORK**

Avery Fisher Hall 20.00 Leonard Slatkin conducts the New York Philharmonic Orchestra in Claude Baker's Shadows, Mozart's Piano Concerto No 25 (soloist Christian Zacharias) and Dvorak's Sixth Symphony. Repeated tomorrow at 14.00, also Sat and next Tues (875 5030) Metropolitan Opera 20.00 Marcello

Panni conducts L'elistr d'amore with Kathleen Battle, Luciano Payarotti, Juan Pons and Paul Plishka, also Sat. Tomorrow: Samuel Ramey sings Don Glovanni (362 6000)

New York State Theater 20.00 City Ballet in choreographies by Peter Martins, Balanchine and Jerome Robbins, Tomorrow: Tchaikovsky evening (870 5570)

#### ROME

Testro Olimpico 21 00 Joshua Bell. accompanied by Fred Chiu, plays violin sonatas by Brahms,

Prokofiev, Wieniawski and Schubert (3234 890) Teatro dell'Opera 20.30 Paolo Carignani conducts Carlo Verdone's production of Il barbiere di Siviglia, with a cast led by Simone Alaimo, Rockwell Blake and Jennifer Larmore. Runs till Feb 7, with next performance on

#### **VIENNA** Musikverein 19.30 Erwin Ortner

conducts the Salzburg Baroque Ensemble and Arnold Schoenberg Choir in Handel's Messiah, sung in English, Tomorrow: Michael Gielen conducts Bartok and Liszt. Sat afternoon and Sun morning: James Levine conducts the Vienna Philhermonic, Sun evening: Isaac Karabtchevsky conducts the Tonkunstler Orchestra in Mahler and Beethoven (505 8190). Tomorrow in the Konzerthaus: Gennadi Rozhdestvensky conducts the Moscow State Symphony Orchestra in an all-Prokoflev programme. Sun morning: Ingrid Haebler plays Mozart's Plano Concerto in A major K414 with the Vienna Chamber Orchestra conducted by Sandor Vegh (712

Steatsoper 17,30 Horst Stein conducts Tristan and Isolde, with Gabriela Schnaut as isolde, also Sun. Tomorrow: Salome, Sat: Tosca with Mara Zampieri and Neil Shicoff (51444 2960) Volksoper 19.00 Bruno Weil conducts Le nozze di Figaro. Tomorrow: Die Zauberflöte. Sun at 11,30: Lieder recital by Boje Skovhus. Sun at 19.00: Donald Runnicles conducts Christine Mielitz's new production of Lady Macbeth of Mtsensk (51444 3318)

#### European Cable and Satellite Business TV

(TEC some ita) STOKEDAY TO FRIDAY

0730-0800 Moneyline 1230-1300 Businose Morning 1330-1400 Businose Morning 1330-1400 Businose Dey 2000-2030 World Business Today – a joint FT/CNN production with Grant Perry and Cofin Chapman 2300-2330 World Business Today 0100-0130 Moneyline

Supor Channel 0600-0620 Business View 0630-0700 Businesa Inalders Report – woekly indopth analysis from FTTV 2130-2200 (Wed) FT Business Weekly - tglobal business report with James Bollini 2130-2200 (Thurs) Talking Heads

1200 International Business Report 1130, 1730, 2130, 0430, 0530 (Thurs) FT Business Weekly

CATURDAY

0730-0800 Moneyline 0900-0830 World Business This Week - n joint FT/CNN production 1540-1610 Moneyweek 1900-1930 World Business This

SUNDAY

Super Channel 1800-1830 FT Business Weekly Sky Nows 1330, 1630, 2030, 0030, 0230 FT

1800-1830 World Business This

## **FINANCIAL TIMES**

NUMBER ONE SOUTHWARK BRIDGE, LONDON SEI 9HL Telephone: 071-873 3000 Telex: 922186 Fax: 071-407 5700

Thursday January 16 1992

# The future of Lloyd's

market, is an organisation built on business structures that pre-date the industrial revolution. Yesterday, a task force set up to investigate Lloyd's workings and prospects – the fourth such report in two decades - offered an escape into the modern world. It may be too late.

Consider the story the task force's report tells, with admirable clarity and force. Lloyd's has been losing market share for years. Its geared capital structure heightens its mem-bers' vulnerability to periods of deadly as the insurance indus-try's cycle oscillates ever wider. Its managing agents pay themselves too much, without enough exposure to market forces. Its costs exploded in the 1980s, at the same time as it sucked in large amounts of excess capital. Too much of that capital came from new members who did not possess enough personal wealth to

cope with the risks.
Lloyd's cannot predict its liability to US damage claims, which may continue rising uncontrollably. Half its mem-bers are locked into "open years", past trading periods that carry an open-ended expo-sure to unpredictably rising losses. Angry members are suing each other and Lloyd's itself. Its principal asset, a ster-ling international reputation, is threatened by those lawsuits and by growing concern over its future capital stability.

In short, Lloyd's is in crisis. In response, the task force offers a curious mixture of short-term conservatism and long-term radicalism. This may be the right prescription for the market as a whole but it offers little consolation to Names seeking a way out of the errors of the past. Indeed, by recommending that Names' bank guarantees always be called in, regardless of the underlying security, it has increased the likelihood that the worst-hit Names will lose

The task force has firmly rejected any retrospective sharing out of the losses of the past few years, despite the evidence that they have fallen disproportionately on a relatively prove more important.

terday Mr David Coleridge, Lloyd's chairman, offered afflicted Names his sympathy,

afflicted Names ms sympathy, but little else. In the short-term, the task force proposes a sensible scheme for capping future losses, at a level still high enough to inflict pain, but probably low enough to protect against devastation. Its other short-term recommendations are similarly level-headed, although one of them – the strengthening of Names rights is no more than a basic code of fair dealing. After three cen-turies, Lloyd's should not need a task force to teach it such elementary principles.

Radical vision

In the longer term, the report offers a much more radi-cal vision. Although it pre-serves the principle of unlimited liability - above all, for tax reasons - most individual Names would end up as participants in what amounts to little more than a tax-advantaged. mildly risky unit trust. A smaller number of truly wealthy individuals, "super-Names", would continue busi-ness as before, but a growing proportion of the market's capacity would be provided by insurance company subsid-iaries, with limited liability for their shareholders. Costs would shrink by 30 per cent; many jobs would go.

This vision has much to recommend it. Unlike many blueprints for reform, the report offers a way to get from here to there with minimal disruption. Yet events may conspire against its successful achieve-ment. Much hangs on the trading year in progress. If this year is healthily profitable for the first time in half a decade, Names who are thinking of leaving will grit their teeth and carry on. Lloyd's capital will stabilise, and its prospects of achieving the profitable growth on which the task force pins its hopes will greatly strengthen.

If this year goes badly, the flight of Names will accelerate, and Lloyd's prospects of maintaining its place in the world insurance industry will vanish. The task force report is timely and welcome; but the under-writing experience of 1992 may

# Next steps in Yugoslavia

Community recognised Slovenia and Croatia, albeit with understandable caveats from France and the UK. Two weeks into the most effective ceasefire in the six-month conflict, Bonn's persistently argued belief that recognition would be a carrot leading towards peace appears to have been vindicated. No one, however, should be tempted by the illusion that this war, which has killed thousands and made half a million people homeless, is

The main question facing the EC, upon which the practical task of peace-broking will connature of any UN imprimatur, is the extent to which community member states are willing to apply stick as well as carrot. Economic sanctions will no doubt have a part to play for some time to come, but most specifically and immediately. the peacemakers must ensure that neither Serbia nor Croatia feels able to extend the war into the neighbouring republic

Extension of the war is a course of action all too likely to appeal to Mr Franjo Tudj-man, the president of Croatia, and Mr Slobodan Milosevic, the president of Serbia, given their political need to silence growing internal opposition to the failures of their policies. Mr Tudjman, for example,

has obtained recognition for Croatia without regaining full control of the republic's territory. Mr Milosevic has failed to prevent Croatia from seceding from what was once the Yugoslav federation. For politicians whose stock in trade is to foment nationalist unrest to increase their power bases,

Carve up

That both politicians now present themselves as peace-makers should deiude no one. There are unmistakeable signs that the two rivals are indeed by agreeing with each other to carve up their ethnically mixed neighbour, where for centuries, Moslems, Serbs and Croats have lived together peacefully. It will not be easy for the international community to guarantee the stability and ter-

cegovina. A first step would be for the EC to make it plain to everyone involved that the security of this republic is a precondition of all further co-operation with Serbia and Croatia. Secondly, the EC should propose and help finance the demilitarisation of the republic, which is cur-rently home to a large part of the Serb-dominated federal

At the same time, planning needs to proceed in earnest for the possible despatch of a significant UN peace-keeping force to Bosnia-Hercegovina, something Mr Milosevic strongly opposes.

Of all the options open to the international community, this is obviously the most risky and could only proceed in the light of a full appraisal of the military situation. It would be a disaster for such a force, likely to be composed mainly of Europeans, to be obliged to retreat in the face of gruesome casualties. If the ceasefire con-tinues, such intervention may not be necessary; if it breaks down it may be impossible. But following the decision to send in unarmed UN observers, it is a contingency which, if well timed, may be both viable and

In the meantime, Bosnians themselves will be active. Some still hope for international recognition once a refer-tional recognition once a refer-endum is held throughout the republic and that independence will give Bosnia the right, and perhaps even the ability, to exercise some control over the army. More important is the fact that independence would validate the republic's internal frontiers as international borders. If it is possible to establish in the Yugoslav context that no borders, whether inter-nal or external, will be altered by force of arms, much will have been done to improve the

chances of lasting stability. For the EC, Yugoslavia will continue to represent an ines-capable, long-term challenge. That Germany's unilateral diplomacy has produced a short-term and most welcome advance should not be allowed to obscure the need for patient and coherent collective action ritorial integrity of Bosnia-Her- in the future.

n the splendid setting of Mexico City's Chapulte pec Castle, one of Latin America's last "dirty wars" will formally end today. The government of El Salvador and its rebel opponents are to sign a treaty to end a 12-year civil war that claimed 75,000 lives, most of them civilian.

Gradually, country by country, a sort of peace is reclaiming Central America. Only in Guatemala is a civil war still being fought. Elected civilian governments now rule in Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua; a decade ago there was only one, in Costa Rica.

In the past 12 years, close to 200,000 people in the region have died violently and 2m to 3m central Americans, as much as 15 per cent of the population, have been displaced from their homes.

In part, these countries were victims of the Cold War. Presi-dent Ronald Reagan's secretery of state, Alexander Haig, once declared that he would "draw the line" against communism in El Salvador, a country the size of Wales with a population of 5.1m. President Reagan himself saw the left-wing rebels there as attempting to destabilise the whole region and moving "chaos and anarchy toward the American border". The Americans poured more than \$4bn into El Salvador during the 1980s, one quarter of it mil-

The end of the Cold War has sharply reduced America's fears. At the same time, funding for the extreme left from outside the region has ebbed away, as has its intellectual raison d'être. The once bitterly divided isthmus is now ruled by like-minded centre-right politicians. When they meet (which is often) they talk about economic integration, market-based reforms and the struggle to raise living standards to the

levels of the 1970s. Peace in El Salvador should help to reinforce this process and reduce the still huge influ-ence of the military on govern-ments in the region. It will increase pressure on the Hon-duran army to cede more power to the civilian government. Foreign attention will turn to the Guatemalan gov-ernment in a bid to force it to reach agreement with its reb-els, with whom it has been fighting for 30 years. The Nicaraguan army, still under the command of the left-wing Sandinistas, who lost control of the government in elections in 1990, is expected likewise to be reduced in size.

Beyond its effects on the military, the peace accord reflects and reinforces a genuine narremarkers a genuine nar-rowing of once sharp ideologi-cal differences in Central America. The guerrillas in El Salvador, once the hardest-line Marxists in the region, changed their tune after wit-nessing the collapse of Nicaragua's economy and its Sandinista government, and the Europe. For the most part they now support a mixed economy; many talk approvingly, for

example, of privatisation.

The 18-month negotiations between the Salvadorean government and the rebel Fara-bundo Marti National Liberation Front (FMLN) were thus mainly over political, rather than economic rights: the reduction of the size and redefinition of the role of the army

**Damian Fraser** and Stephen Fidler on Central America

# Peace, but no plenty



into the national police force, in particular. Before the talks were concluded, Mr Abraham Rodriguez, a distinguished Sal-vadorean Christian Democrat, said of the rebels' negotiating position: "There is not one point dividing them from us."

The traditional ruling oligarchies and the right-wing busi-nessmen who support them in turn have conceded many of these political rights, in part because of a fear that continued civil war will leave them behind in Latin America's rush to open itself politically and

dent James Monroe. The Mexicans, who have long been at the centre of efforts to resolve the regional conflict, are similarly complimentary. Mr Sergio Gonzalez Galvez, head of the Americas section in Mexico's foreign service, says Mexico has not had a single difference with the US over the Salvador peace talks in marked contrast with their hitter disputes over Cen-tral America in the 1980s. "The US," says Mr Gonzalez Galvez, "is convinced that actions taken in Central America must

Bush's pragmatic approach to Central America could hardly contrast more with the ideological stance of his predecessor

economically.

President George Bush's pragmatic approach to Central America could hardly contrast more with the ideological stance of his predecessor. The Bush administration has shifted the emphasis of rela-tions with the whole of Latin America towards one of economic partnership. It has actively and faithfully sup-

ported the UN-mediated negoti-ators in the Salvador talks. The chief UN mediator, Mr Alvaro de Soto of Peru, halls the willingness of the US to take a back seat in the Central America peace talks as the end of the Monroe doctrine – the rationals for US intervention in the western hemisphere first

be co-ordinated with countries like Mexico, Venezuela and Colombia, and not alone".

As the US withdraws from Central America, the Mexicans, and to a lesser extent the Venezuelans, will partly fill the venezuelans, will partly fill the venezuelans. vacuum. After spending their peace plans, they are now con-centrating on economic aid and advice. Mexico hopes to have free-trade agreements with each of the Central American republics by 1996.

Both Venezuela and Mexico sell oil to Central America at a discount, channelling money received into development projects in the region. According to the Mexican Commission for Co-operation in Central Amer-

ica. Mexico has signed 1,451 agreements with Central America in the past three years, covering matters such as transport, customs clearance, education, cultural exchanges and border issues.

The region has a long way to The region has a long way to go to become a model of reformist zeal. Despite the peace agreement, to be monitored by 1,000 UN observers, violence seems unlikely to end soon. The ethnic divisions between Indians and people of Spanish origin, the great inequalities of wealth and income, the hate between former enemies are not going to mer enemies are not going to melt away overnight.
In El Salvador, even if, as Mr
Gonzalez Galvez suggests, the

bulk of the army supports the treaty, death squads - right-wing groups within the army that killed thousands during the 1980s - may well return.

The treaty could also come unstuck in its implementation. The provisions for handing over to the rebels the large swathes of territory they control are messy, and reflect a

last-minute compromise.

To make matters worse, the economic and social problems across the isthmus remain huge. The war-ravaged econonige. The war-ravaged economies of the region are heavily dependent on exports of a few commodities such as bananas, sugar and coffee. Yearly incomes per head of the population range from \$830 in Nicaragua to \$1,800 in Costa Rica.

Two years ago, an international commission reckoned that the region would need

that the region would need \$2bn a year in economic assis-tance over five years for recontained economic recovery. The Salvadorean government has estimated that it alone needs \$1.8bn over five years for reconstruction. The World Bank is to convene a conference within the next few months to co-ordinate foreign aid for El Salvador. But will the money be forthcoming? On the face of it, the expec

ted presence in Mexico today of Mr James Baker, the US secre-tary of state, and the leaders of Mexico, Colombia, Venezuela and Spain bodes well. But as Central America loses the world's attention, total foreign with a state of the state of th

The US emphasis on eco nomic co-operation with Latin America notwithstanding, Mr Kenneth Carter of the Council for Foreign Relations in New York says he senses a mood in the US that Washington should 'wash its hands" of Central American governments.

The region is no longer on

aybody's front line. Economi cally, it carries no great impor-tance: the combined gross national product of the five countries in 1990 was just over \$23bn, less than that of Wales Politically, it may remain sig-nificant only to its immediate Latin neighbours - whose ability to pump money into it is limited. Despite El Salvador's hope for better prospects, the region may be forced to rely mainly on its own painfully limited resources, along with a trickle of foreign invest-

For the people of Central America, the peace has been long enough in coming, emerging from the economic and social troubles will take substantially longer.

# Regulator takes up the baton

Charles Leadbeater and Hugo Dixon on the OFT's new boss

ir Bryan Carsberg was yesterday sporting an unseasonal tan courtesy of a holiday in the Maldives. The idea that Sir Bryan takes holidays, especially winter breaks on luxurious islands in the Indian Ocean, will probably come as a surprise to the companies which have been the objects of his unrelenting scrutiny during his seven years as director general of Oftel, the telecommunications

industry watchdog. Sir Bryan has been the Brit-ish pioneer of utility regulation. He helped to privatise BT and then successively exposed it up to tighter regulation and greater competition. He has more influence than any other individual on regulation in electricity, gas, and water, as well as telecommunications.

His influence will expand significantly in June when Sir Bryan takes over from Sir Gordon Borrie as director general of the Office of Fair Trading (OFT), the most powerful post within the British system of competition policy making and

Sir Bryan will be an active and inquisitive competition chief. "My approach will not be to assume that everything is all right," he says. "My atti-tude will be that there is prob-ably quite a lot to be done." Certainly he comes to the post with a formidable record. At Oftel he was a proactive regulator, seeking out opportunitles to promote competition rather than merely reacting to complaints that it was being restricted

One of his strengths is his ability to combine a general understanding of the econom-ics of competition, from his academic background, with an intensely practical interest in how markets and companies function, a product of his long experience as an accountant. BT has learned to its cost that Sir Bryan is a formidable opponent in arcane arguments over how much deposit a customer should be charged for a telephone as well as the grander arguments about how much competition is good for an

Like Sir Gordon he seems able to work effectively with Labour and Conservative poli-ticians. He said there would be no problems if Labour was the next government as there was "quite a large measure of agreement" between the paries on the sort of work the OFT does. Sir Bryan, 53, a trim former

marathon runner, still has healthy reserves of the stamina and tenacity which have kept him going in his continual battles with BT. However, the very personal character of his struggle with BT is also a clue to Sir Bryan's shortcomings. Critics accuse him of intellec-tual arrogance. He is a techno-crat who believes in taking decisions behind closed doors, without much public consulta-tion. He has been better at making policy than making



Sir Bryan: active chief

sure his organisation effectively pursues customer com-plaints against BT. Most of the OFT's work is similarly hum-ble stuff. It spends only 8 per cent of resources considering mergers, compared with 37.6 per cent on regulation of con-sumer credit agreements and estate and 15 per cent on other humdrum consumer protection

Former colleagues also say that he is not a good delegator. Dealing with a single industry it may have been possible for Sir Bryan to keep a tight grip on all the reins. To deal effectively with the wide range of industries covered by the OFT - from soft drinks to financial services, gas to car retailing --Sir Bryan will have to draw upon the expertise of others. Sir Bryan has no firm views on whether the OFT's investi-

gative powers or its structure need changing. However, he will certainly have to think about a number of issues that go to the heart of the OFT's He sees no reason why spec

alised utility regulators should be incorporated within the OFT at this stage, although it or at this stage, annually it is possible he may want to bring the Monopolies and Mergers Commission within its ambit to create a single competition authority responsible for policy, investigation and

One of the most controver sial issues may be whether competition should remain the guiding light of merger and regulatory policy. In the energy and water industries environmental considerations are becoming influential. The government has recommended the OFT should consider state ownership, foreign ownership and financial gearing in considering bids. A Labour government would seek a new balenvironment, job protection and other factors. There is also the question of the relationship between British policy and EC policy, which is increasingly impinging upon national mar-

BT may be giving out a sigh of relief at Sir Bryan's depar-ture from Oftel; but the rest of British business had better be on his toes. He is unlikely to be taking a long summer break.

\*\*\* <u>Yeş</u>

## New fair

#### trader

■ If Britain is more competitive than it was 16 years ago, you can thank Sir

When he took over from John Methven, the first director general of Fair Trading, Shirley Williams was running the department of prices and consumer protection, and he has had over a dozen different political bosses since then. Amid the whirligig of the UK's sometimes erratic comp

policy. Borrie has been the one constant factor. Although the 60-year-old law professor was appointed by an interventionist Labour government, he has keen political antennae as well as a robust intellect which have served him well. He gives the impression of being impervious to pressure, yet has been able to adjust his policies to the political mood of the day. During his term, the job of director general of fair trading has grown in importance. This may be partly due to the fact that under Margaret Thatcher's free-market regime, politicians did not want to be

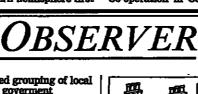
seen to be interfering. But it also reflects Borrie's own distinct contribution. All the same, he had been doing the job for too long. After 15 years of dealing with civil servants, even the strongest personality is liable to start acting like one. Promoting Sir Bryan Carsberg makes obvious sense. He has

been the telecom watchdog

for long enough and also

needed a change.

Sweet and sour ■ The Mersey Partnership could hardly have made a more tasteful choice than John Billington to head its efforts to make the Liverpool basin more palatable to investors, students, tourists and the like. When he's not chairing the



newly formed grouping of local authorities, government agencies and business, he runs Edward Billington & Sons, one

sugar merchants. But his inaugural promises to refine the area's image met with a bitter reverse. Even as he spoke, supporters of Militant were stirring up poll-tax protests outside Liverpool magistrates' courts.

Dirty Linen ■ Get ready for the fashion accessory of 1992, designer jeans guaranteed to stay dirty no matter how many times you wash them. "The John Wash them. The Legendary Joe Blogge", a UK fashion company, will soon start supplying the jeans — at \$45 a throw — to retailers, "Dirty denim will never, ever

look clean - no matter what you do with it - and that's a promise" says Shami Ahmed, managing director of "The Legendary Joe Bloggs". As a marketing idea it seems to owe much to Britain's leading political figures.

Cheque up Someone, at least, feels sorry for UK chancellor Norman Lamont. The Treasury has reported a dramatic upturn

in what it rather quaintly terms "voluntary donations" to the exchequer's coffers. Good citizens, perhaps worried about the impact of the recession on the nation's finances, sent unsolicited contributions totalling £147,012 and 95 pence to the Treasury in the 12 months to October. That compared with a meagre £2.587 and 50 pence in the previous year. Some unkind observers at Westminster were last night

pointing out that the surge in generosity coincided almost

to the month with Margaret

(BANX)

"I had a dream that I'd only waited a year for my operation"

Thatcher's departure. But they had perhaps forgotten that in her first year of office such of over £310,000. So perhaps now it is Lamont's baleful countenance

which is pulling in the cheques. He would not mind a few more to pay for those pre-election tax cuts.

Under cover ■ Columbus's voyage of discovery to America seems to have been a relatively straightforward affair compared with the task of establishing a footbold for him in London half a millenium

Plans to erect a statue on the Thames Embankment near Lambeth Palace have been bedevilled by controversy over his actions, which has seen him vilified as a butcher of indians and plunderer of the environment, not least by Harold Pinter.

Fortunately, the uproar has failed to deter the Spanish

government from agreeing to fund the project, masterminded by the Hispanic and Luso-Brazilian Council at Canning House (president Viscount Montgomery of Even so, the planners are

taking no risk of further fuelling anti-Columbus fervour ahead of the unveiling. They are keeping secret both the location of the statue believed to be locked up somewhere in Madrid - and the date when it will be smuggled into Britain

Rag-bag

■ Wonders of Observer's in-tray, volume 17. Milton Keynes Development Corporation, due to self-destruct after its 25th anniversary in April, has decided to send out one last press-pack. Here are 10 things you never wanted to know about Britain's 15th biggest city.

Europe's largest roller-skating rink. The UK's first purpose-built Japanese boarding school. More Swedish than French firms. A life-size stegosaurus. The first peace pagoda in the Western hemisphere. Over 15m new trees and shrubs. Counting canals and ponds, a coastline longer than that of Jersey. Central streets planted with plane trees which benefit from heat reflected off pavements. A mere 15 minute car drive from one side of the place to the other. And 20 per cent of its residents unhappy with the

Own gaol

way it is planned.

■ Sent to prison as a first offender, an English graduate was told by an old lag there that if he made amorous advances to the governor's wife, she'd get him released

"But I can't do that," he protested. "It's wrong to end a sentence with a proposition."

# **FINANCIAL DIRECTORS** & MANAGERS

# Lotus Authorised Training Centre

# Master Lotus 1-2-3 in just two days

Financial Directors & Managers can take full advantage of Lotus I-2-3 after only two days specialist training. Intensive case studies, with practical application, are supervised by tutors with first-hand business management experience. By focusing the course around the most important areas of your day-to-day activities, we show you how Lotus 1-2-3

Debut are Lotus Authorised Training specialists and can offer: Training for different levels of experience from complete beginner to advanced

 Quality course materials relevant to your responsibilities Exclusive use of a PC in classes restricted to 6

Lloyds Bank, 3M, Gainness and Allied Dunbar are just some of the Companies now benefiting from Debut's incisive training. For an information pack telephone 0734 793030 (24 hours). Or send the coupon below by fax to 0734 789944.

Alternatively, send the coupon by post to: Debut Computer Services Ltd. 3-4 Market Place, Wokingham, Berks. RG11 1AL

Computer training for business p Please send me details of Debut's Lotus 1-2 for Financial Directors & Man	rofessionals
NamePosition	ogers .
Company	
Address	
Pro	Stravie

Debut Computer Services Ltd, 3-4 Market Place, Wokingham, Berks RG11 +AL.



The most reassuring piece of news about the British econ-omy is that the Treasury forecasters have now flipped over and see little if any recovery in the period shead. That must be a sign of relief shead. Not surprisingly activist fiscal policy is care more a respectable subject of discussion.

and H

unha socie

THE BOY OF THE PARTY OF THE PAR

"Thereby 42 to: the Office

West & RE

ment fue at

म्यामध्य द 🎫

in 1733 in

porates with

in he may be

Tank 9an of

11:35 3 2000

THE RESIDE

.... estigate ;

in the 💇

おは存存

" 中國之

:: d 12:

ול חווים ו

or water 🕾 and cert ner index ?

31 E.45 Pr.

ini politici

· is 1 150

Billion him.

(acres 705)

Challed Paye

iiirii **ID** 

...... WE

TO SHARING

man a be

I do not mean that the true progno sis is always the opposite of what the official forecasters say It is more that forecasts are bound to reflect the present and recent past, with a few twists and manipulations. Recent indicators have been unremittingly gloomy on the real side of the economy, and it is often darkest before the dawn.

But there is genuinely cheerful news, and not merely hope, on the inflation side, which is an unmixed blessing for it is the fall in inflation that provides the headroom for an eventual resumption of growth.

Let us take an annual growth rate of the national income of 5 to 7 per cent as providing room for reasons growth at moderate inflation. This is not a rate that can be guaranteed immediately. In the short term the course of the British economy is tied to the sticcess of the Bundesbank in

It is the fall in inflation that provides the headroom for an eventual resumption of growth

breaking the momentum of the German wage push.

But eventually, nominal demand should be able to start growing again by 5 to 7 per cent, and the course of

flation will determine how much of that can be real growth. This Friday's Retail Prices Index will, as so often. be misleading, reflecting the echo effect of long-distant changes in the

The most encouraging data come from UK Producer Prices. These do not of course cover the whole economy, but do provide its leading edge. Excluding food, drink and tobacco, which were boosted by the excise duties increase in the last Budget, other producer prices rose by 3.8 per cent in the 12 months to last December, compared with the peak of 6.5 per cent as recently as last February. If you look at seasonally adjusted data, the core rate for producer price

othing that has yet happened since the UK joined the exchange rate mechanism (ERM) in October 1990 casts any more light on whether it joined at the more light on whether it joined at the correct exchange rate or not. Those who argue that rate is too high are in effect saying that a lower average real wage is required to secure external and internal balance at a high level of employment, and that a nominal devaluation is more likely to have this about than materialing. bring this about than maintaining

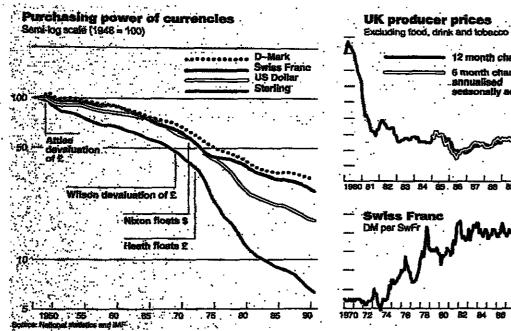
the pressure on pay settlements under the ERM.

The recent debate has not, however, been about this fundamental issue. The clamour to escape from the constraints of the ERM comes mostly. constraints of the ERM comes mostly

ECONOMIC VIEWPOINT

# More on the not so sovereign pound

By Samuel Brittan



inflation is down to 3.2 per cent, taking the last six months at an annualised rate. This is the lowest since the series began, except for two months in 1986 which were affected by a dive

If this withering of inflationary psy-chology carries through to the more insulated service sectors of the economy, the way will be open for a resumption of non-inflationary growth. The achievement is, however, a fragile one, which could easily be

shattered by political short-termism without achieving any durable gains in output or employment in return. The main chart is an attempt to put the issue in longer-term perspective. It is an adaptation of the one I produced after the Maastricht Summit on December 12 to show how the pur-

chasing power of the supposedly sovereign pound had fallen since the war. I have made two main changes. The index is now on a log scale, so that a given proportional fall in the value in the pound is always shown by the same vertical drop. Second, I have superimposed for comparison the experience of the US, Germany and Switzerland.

The results repay study. First they show that a sum of money which would buy a pound's worth of goods in 1948 was worth just over 6.3p in 1991. The steepest rate of fall was during the Heath dash for growth and the

# Sterling has many defences

from people looking for a way of reducing British interest rates irre-- with a more unfavourable differential than the 1 percentage point or so now prevailing. The link with Gerspective of what the Bundesbank does. Too many of them cherish the illusion that there is a compromise policy called a realignment (Euro-speak for devaluation), which would restore interest rate freedom to Britain while allowing it to remain in government, which would have to be the main player, has ruled out. What is astonishing is how modest the system and thus avoid too much loss of face on Mr John Major's part.
They forget that UK interest rates would have to remain competitive with German ones at the new parity

man interest rates would remain even in a multilateral realignment in which the D-Mark moved up against several leading currencies - in any case a pipe-dream, which the French

the pressure on sterling has been despite the unceasing clamour in The Times, Sunday Times, Evening Stan-

interest rate cut at all costs, irrespec-tive of the ERM. So far there has been little difficulty in maintaining sterling within the prescribed band.

If sterling did come under serious pressure, the first obvious line of defence would be to take advantage of the full 6 per cent band, and allow sterling to fall nearer its D-Mark floor. Such a move would increase the losses risked by speculators

Second, if that is not enough, there

real purchasing power. But at 17.5 cents it is still worth nearly three times as much as the equivalent amount of sterling. This fundamen-tally explains why Mr Alan Green-span of the US Federal Reserve has more flexibility in combating recession than the Treasury or the Bank of

England.
The German D-Mark, as one would expect, has fallen much less in real value. But there have still been enough periods of creeping inflation to reduce it to \$1.5 pfennigs today. A closer look at the chart reveals a remarkable phenomenon. Until the late 1960s, the dollar's purchasing power remained almost as much as the D-Mark. It was only with the inflationary financing of the Vietnam war and the floating of the dollar in 1971 that the value of the US currency really started to shrink.

It is a myth to suppose that Switzerland's experience provides any comfort for a policy of going it alone outside the ERM. After a shock appreciation in the late 1970s which alienated local industrialists, the

Swiss franc has been informally shadowing the D-Mark.

An economist of Birkbeck College

After the departure from **Bretton Woods the** value of the dollar really started to shrink

London, Mr George Alogoskoufis, has put the message in a more formal way in a series of papers. When floating exchange rates allow countries to con-trol their own monetary destiny, inflation differentials between countries once established, tend to persist. Moreover once inflation is pushed up by any shock, such as a wage explosion or an oil price increase, it tends to stay high.

Under the Gold Standard or Bretton Woods system of semi-fixed exchange rates, on the other hand, there was no such "accommodation" and inflation described a random path around a low or zero basic trend. In the UK, for instance, up to the 1967 devaluation, neither the advent of elections nor the identity of the party in power mattered for either expected or actual inflation. The ERM could perform a similar function if Germany can overcome its unification strains.

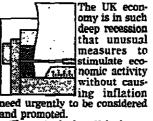
remains a huge potential for central bank intervention even before the D-Mark margin is reached. The combined British and German foreign exchange reserves are committed to the defence of sterling to prevent a breach of the margins. Base rates would be increased,

however reluctantly, if the reserve drain became too large. But this is only the third line of defence. However politically distasteful, it would not be as catastrophic politically for the government as a humiliating departure from the ERM which like other "dashes for freedom" would end in yet higher interest rates as with the ensuing sterling plunge.

PERSONAL VIEW

# **Building for** rapid recovery

By Michael Keevill



without caus-ing inflation need urgently to be considered The principal political parties will need to come up with original ideas to meet the pub-

lic demand for fundamental new thinking. Rather than wait for them,

industrialists have been searching for a business solu-Construction, the fundamen-

tal economic kick-starter, is in deep stagnation. Everything from concrete and bricks and steel to window frames, wallpa-per and lighting are, or soon will be, feeling the knock-on

Architects and surveyors, electricians and plumbers have become unemployed or under-employed and the effects are felt in the High Street.

Currently there are more than 2.5m people without work who in 1991 cost the state more than £800m in unemployment henefits alone.

Banks, insurance companies and building societies are affected. Yet throughout the UK, local authorities are sitting on massive balances of funds from the sale of council houses. The total is estimated

Yet the Treasury will not permit more than 25 per cent of these balances to be spent. Why not?

Every local authority has a massive repair schedule it can-not meet. Potentially good housing stock is deteriorating. The effect on surrounding property is bad and probably leads to other drains on the public purse in terms of street crime and vandalism.

At the same time, many thousands of people are living in overcrowded conditions particularly in London - in bed and breakfast accommodation costing many thousands of pounds a month. What other problems is the community storing up for itself in terms of disease and violence?

If a housing repair and mod-ernisation drive involving smaller companies as well as the big builders were launched, there would be an immediate stimulus to the construction industry. This would feed through to the rest of the econ-omy without being inflation-

The same sort of programme could be applied to schools. Too many of them are falling apart and cannot be upgraded for want of resources.

The lighting industry, which has a turnover of £650m and employs 17,000 people, believes on this situation. It is, o wants to start moving sales

Merely to stand back and observe a continuing run-down will not do much for business. and may present too easy a market opportunity for future

The Lighting Industry Federation would like the government to match the funds held by the local authorities, and so give councils an incentive to move fast to seize a share of Whitehall "new money". A bet-ter partnership, long overdue, between central and local government might be octablished

ernment might be established. Everyone would like to see the back of the so-called card-board cities which disfigure city centres. These too could be tackled by a more active build ing industry.

Blocks in inner cities that need refurbishment could be converted to single people's accommodation, to provide, say, maximum two-year tenancies before the occupant had to make his or her own arrange ments. Much concrete, piping and timber, and many bricks, and, yes, light fittings, would soon be needed.

This activity would create jobs and, above all, homes, and could be begun very quickly. Architects, surveyors, build ers and plumbing and electri-cal contractors would leap to

respond to this challenge. Can the politicians? The author is president of the Lighting Industry Federation and managing director of Arrow Plastics.

# **LETTERS**

#### Psychological testing is not. resented

eur de forma

Sir, Alas, Mr Sturt's letter (January 13) in reply to Timo-thy Clark's study ("Money spent on headhunters is wasted?", January 7) is yet another snare and delusion. Of course, headhunters have a role, but so too do objective means of assessing a candidate's suitability or potential

Mr Sturt has fallen into the trap of misunderstanding the effects of random selection, or in his terms, "introduction". Headhunters will, simply by chance, identify candidates who are high performers in their new role. As a result they are not subsequently trans-ferred or fired. The key point here, however, is that chance has come into play. For, at the same time, headhunters can and do "introduce" executives who do not perform well. I wonder where his evidence comes from that this does not occur? Certainly my experience as an occupational psycholo-gist is that I have often been retained by clients who wish to recover from a poor "introduc-

Mr Sturt rightly asserts that psychological assessment is just one link in a chain", but then ruins his whole argument by adopting the elitist attitude that such assessment is only relevant to junior and middle management. Psychological assessment is not just about ability testing, although this is important even at the highest levels. A rigorous analysis of overall suitability is essential for all jobs, including board members. Why senior manag-ers should feel "insulted" by demonstrating their skills and abilities is a mystery to me. Pinally, many companies which use psychological assessment alongside headhunters are more impressed by the bard evidence that has emerged from a plethora of research studies over the past 50 years than they are by the subjective data that Mr Sturt would have us take account of from telephone conversations, references and anecdotes from former colleagues.
Andrew Roberts.

managing director. Enight Chapman Psychological, & High Street,

East Susser BN7 2DD ...

# Lloyd's report offers no solution to 'outsiders'

From Mr Claud S Cecil Gurney. Sir, Once again we get exactly what we should have been expecting from a group headed by a Lloyd's "insider"

- a clever set of suggestions as to how the "insiders" can go on obtaining enough "outsiders" to continue to rip them off

in the future.

We could have hoped for a few more imaginative ideas from a team supported by McKinsey. The only radical ideas are in the suggestions which are presented as possi-ble areas that Lloyd's may like to look at in the long term and are, therefore, never likely to

I know of no other organisa-tion in the world which asks Names to take such risk and in which the people who are meant to look after their interests not only enjoy so much immunity but also have their own often conflicting interests. David Rowland, who chaired the task-force which prepared the report, offers no radical solution to this problem and he offers no solution to the basic conflicts of interest in the market despite much nonsense

talked about the "primacy of Names' interests". There are, of course, some good "nuts and

favour of the provider of capital and that a scheme would have been devised to ensure that those who had profited from past market dishonesty would have contributed some thing to a fund to help present sufferers. I therefore put off my resignation pending the Row-land report. I sent it off today. Claud Gurney, 41 Brompton Square, London SW3

Association of University

1 Pembridge Road, London W11

Teachers.

#### Need for revolution in attitudes towards teaching and research

From Ms Angela Crum Ewing. Sir, In your editorial "Mass higher education" (January 13) you forecast that when the divide between polytechnics and universities has ended it will be replaced by a new divide, one between institutions engaged in teaching and research and those funded only for teaching. Of course, those that receive no government funding for research will still be able to seek such funding from other sources, just as all institutions do at present; and this new divide may in any case not be as clear cut as you suggest, since there are likely to be divisions of this kind within institutions themselves. Nevertheless, if the revolution in higher education is to succeed there needs to be a corresponding revolution in atti-

The Association of University Teachers has consistently pressed for greater recognition of teaching quality in universi-

bolts" suggestions - but then every report on Lloyd's in the last 50 years has had some good ideas along with some bad ones — and if the Council of Lloyds continues to repre-sent the insiders then there is little hope in the aftermath of this report, as there was in the aftermath of the last report, that the recommendations which are actually imple-mented will reflect the outsiders' interests.

I am one of those Names who had hoped that the bal-ance of power would finally and irrevocably have shifted in

ties; yet the Universities Funding Council continues the prac-tice of its predecessor, the University Grants Committee, and bases its allocation of funds to universities primarily on its assessment of their excellence in research. It is not surprising, therefore, that promotion in universities, too, depends heavily on research performance with teaching in most cases coming a very poor sec-ond. Replacing one divide by another, with a few "ivy league" universities and a rump which is regarded as second-rate, is no way to build a gendine mass system. It is to be hoped the new funding councils, and the Committee of Vice-Chancellors and Principals, will accept the interdependence of research and Angela Crum Ewing, tudes towards teaching and

#### Explanation is needed

From Ms Alison Wolf. Sir, Diane Summers argues that UK women find it far harder to follow careers than do their European counter-parts because of a lack of public (tax-funded) childcare provision. ("The little things that mean a lot," January 13). Could she please explain why, in that case, the UK has a higher rate of female participa-

tion in the labour force than any other EC country except Alison Wolf.

Institute of Education, University of London

#### Call for new type of pension

From Mr A H R Delens. In Barry Riley's article on pensions (The Long View, January 11) there are several points which are not covered. To start with, pensioners are entitled to their pensions in the same way that insurance policy holders are entitled to their benefits under their policies. Anyone who has worked overseas and decided to maintain his DSS pension knows that he paid a premium, part of the NI contribution, specifically to cover his pension and nothing else.

Barry Riley talks about a free gift from one generation to the previous one". What about the free gift of a national infrastructure from one generation to the next one? If people entering work had to pay for assets and services built up by preceding generations, there would be no pension funding

Although the working population may decrease relative to the number of pensioners, productivity increases due to advancing technology should fill the gap. Nevertheless, it is high time there was a single national pension plan for all; government controlled, but privately administered and funded, but completely out of the hands of employers. A H R Delens,

Berrick Salome, Wallingford, Oxfordshire

Fax service LETTERS may be leased on 071-873 5938. They should be clearly lyped and not hand-written. Please set lax machine for fine resolution.

#### **CONTRACTS & TENDERS**

#### URUGUAY

Presidency of the Republic Office of Planning & Budgeting nistration of Teleco

LEGAL ADVISORS THE PRESIDENCY OF THE REPUBLIC AND ANTEL SEEK

LEGAL EXPERTS TO ASSESS IN THE PROCESS OF FORMING A JOINT VENTURE WITH PRIVATE INVESTORS As part of Unuguay's privatisation process, the Government has decided to form a Joint Venture between its Telecommunications Company (ANTEL) and private investors. The Presidency of the Republic and ANTEL are seeking legal exports to seeking legal exports to

The Presidency of the Republic and ANTEL invite applications for this post, Applicants must possess proven experience in the privatisation of Telecommunications Companies.

For further details and an application form, please contact Jose L. Pulg, Office of Planning & Budgeting, Edificio L.BERTAD, Harrera 3050, Montevideo, Telephone (5982)-81-9525, Fax (5982)-29-9730, or in ANTEL, Osvaldo Novoa, Telephone (5982)-40-4051, Fax (5982)-48-6071, Graciela Monza Telephone (5982)-48-3087.

Applications, which will be treated with the strictest confi-should be returned not later than 10:00 am, February 4, 1992.

Price of application form: US\$ 1,500 (one thousand and live hundred U.S. Dollars)

#### URUGUAY

Presidency of the Republic Office of Plenning & Budgeting

#### FINANCIAL ADVISORS

THE PRESIDENCY OF THE REPUBLIC AND ANTEL SEEK FINANCIAL EXPERTS TO ASSESS IN THE PROCESS OF FORMING A JOINT VENTURE WITH PRIVATE INVESTORS

As part of Uruguay's privatisation process, the Government has decided to form a Joint Venture between its Telecommunications Company (ANTEL) and private investors. The Presidency of the Republic and ANTEL are seating financial expents to assess in this

The Presidency of the Republic and ANTEL invite applications for this post. Applicants must possess proven experience in the privatisation of Telecommunications Companies.

For further details and an application form, please contact Jose L. Pulg, Office of Planning & Budgeting, Edificio LISERTAD, Herrera 3050, Montevideo, Telephone (5982)-81-9525, Fax (5982)-28-9730, or in ANTEL, Oswaldo Novoc, Telephone (5982)-40-4051, Fax (5962)-48-6071, Graniela Monza Telephone (5982)-48-3087.

Applications, which will be treated with the strictest confic should be returned not later than 10:00 am, February 4, 1992. Price of application form: US\$ 3,000 (three thousand U.S.

GENEVA SWITZERLAND Full Service is our Business ternational law and taxes. Mailbox

telephone, furnished offices and conference room for daily or monthly rental, telex and telecopies services.

Formation, doministration of Swiss and Formation committee and administration of Swiss and Formation committee. eign companies.
Full confidence and
discretion assured.
BUSINESS ADVISORY
SERVICES S.A. 7 Roe Mazy, 1207 Geneva Tel:736 % 48 Ta: 413222

# **PROPERTY**

Appears every Friday in the Financial Times. For details of our 1992 advertising rates and future surveys, please contact:-

# COMMERCIAL

PETER SHIELD on 071 873 3284 or by fax on

071 873 3064.

# LEGAL NOTICES

CRI INSURED MORTGAGE ASSOCATION, INC.

PLEASE TAKE NOTICE that a Supplemental Indenture as of December 31, 1991 has been made to the Amendment and Restatement as of May 1, 1990 of the Indenture dated as of November 28, 1989 between CRI Insured Mortgage Association, Inc., a Delaware corporation (the "tissuer") and Feet Netional Bank, as Trustee, which Supplemental Indenture accelerates the time at which the issuer may actively and decharge the Indenture in accordance with, and to the extent expressly provided by, Section 4.01 of the Indenture, by making the Irrevocable deposits in trust provided for in said Section 4.01.

hereing of Chemicals

Purposed to Sections 95, 98, 700 and 404 of the

Inchesop Sci 1996

FOREIGN LIMITED

MOTEUR DE MENUES LIMITED

MOTEUR DE MENUES TO CONTROL PROFESSION DE CONTROL CONTR

ASHGROVE FURNITURE LIMITED i, John Martin Iredale of Cork Gully, 9 Grey triars Read, Reading RQ1 1JG was appointed Liquidator of the above-named Company or

#### **WARPSGROVE REALISATIONS**

LIMITED

, John Martin fredele of Cork Gully, 9 Grey riars Road, Reading RG1 1-10 was appointed Laudator of the show-named Company of Lanuary 1992 by the Members and Credi

iohn Martin IredeleLlouk CHALGROVE FURNITURE LIMITED

January 1992 by the Members and Cred

Deted 10 January 1992 iohn Mertin Iredale Jouldetor

IRTON HOLDINGS LIMITED

frium Road, Reading RG1 LIG was appl Liquidator of the above-named Compa 6 January 1992 by the Members and Credi Dated 10 January 1992 John Mertin Iradale

> JAPAN surance/Sales Representativ Private visit February 1st. Write Box no: A 1737
> Financial Times,
> No 1 Southwark Bridge,
> London, SE1 9HL

Tuesdays, Saturdays and **NOW Fridays** 

For further information and to advertise in this section please contact

Melanie Miles on 071 873 3308

FINANCIAL TIMES



# **FINANCIAL TIMES**

Thursday January 16 1992



# German growth hit by cost of unification and recession

By Christopher Parkes in Bonn

THE TWIN burdens of unification and recession in export markets slowed west Germany's economic growth rate to 3.2 per cent in real terms last year, the govern-ment statistics office said yes-

terday.

Although higher than the 2.4
per cent average annual growth in the past 10 years, it was the weakest result since 1987, when gross national product rose 1.5 per cent, and contrasted sharply with the 4.5 per cent "boom" rate in 1990.

The figures show that west Germans tightened their belts last year. private consumption and state demand increased by only 2.4 per cent and 1.2 per cent respectively, compared with 4.7 per cent and 2.1 per

However, nothing could prevent the widening of the gap between the old federal repub-

lic and the five former DDR states, and a sharp rise in state borrowing to a record DM87bn (\$55bn).

The figures, the first since unification showing 12 months' results from both sides of the country, revealed that east and west together generated GNP worth DM2,807bn, of which the east - with 20 per cent of the united country's population -contributed just DM193bn, or just 6.9 per cent of GNP.

Every western worker produced goods and services worth DM88,800 last year, com-pared with DM26,300 in the east. Average gross income in the five new states, although up, still stood at 45 per cent of vestern levels.

While officials warned not too much should be read into the east German statistics, they demonstrated just how much economic help was still needed. They also gave an idea of the scale of assistance needed to transform the economies of newly independent countries in eastern Europe

and the former Soviet Union. quarter of last year, due yester-day, were not published, although a statistics office official was reported to have said they "appeared" to show no improvement on the previous

Private consumption in the west in 1991 was almost halved, mainly by the impact of a 7.5 per cent income tax levy and other duty rises imposed to help fund projects in the east. Inflation averaged 3.5 per cent during the year, although the GNP price defla-tor, an indicator of domestically generated inflation, rose 4.4 per cent compared with 3.4 per cent in 1990.

State borrowing, pushed up by the DM11bn cost of Germany's contribution to the Gulf war, is expected to fall to about DM45bn this year.

Despite the setbacks, and recent further deceleration in growth, officials insisted that Germany had not slipped into • German employers went on

the offensive yesterday follow-ing an apparent weakening of the trade union stance in the current wages round. Mr Ekke-hard Shulz, chairman of Thys-sen Stahl, said he would prefer a strike in the steel industry to

a high pay settlement.
Mr Hans-Joachim Gottschol,
leader of the metal industries federation, rejected as "much too high" a 9.5 per cent upper limit on this year's engineering

#### **British** government under fire from Gulf war report By David White

and Ivo Dawnay THE British government faced acute embarrassment yester-day after the disclosure of an internal armed services report strongly criticising interference by ministers in the conduct of Britain's role in the

Gulf campaign a year ago. The report, leaked to the Press Association news agency, comes during a sustained three-day offensive by the ruling Conservative party against its Labour opposition, portrayed as a party lacking genu-ine commitment to strong

defence policies.
It complains that during the crisis the government showed a "preoccupation with money and politics", "excessive minis-terial influence" and "a frus-trating loss of cohesion". As government officials

talked down the report's signif-icance, Mr Martin O'Neill, chief Labour defence spokesman, insisted it raised "very serious questions" about the government's handling of the military side of the Gulf crisis. In a statement last night. Mr King, the defence secretary, acknowledged that there had been disputes over "details

within the decision-making process", but added that these had not interfered with "the overall team effort and the success that that achieved". The report, understood to have been written by a naval officer, highlights friction

between the services and senior civilian officials about

committing British forces to

Gulf operations.
This included ministers' refusal to send the aircraft car-rier Ark Royal into the Red Sea despite US requests for it to assist in enforcing the embargo

against Iraq.
The report says both Air Chief Marshal Sir Patrick Hine, the UK-based joint commander of the campaign, and Marshal of the Royal Air Force Sir David Craig, then chief of defence staff, pressed the government to send the Ark The navy's anxiety to take a

higher profile in military operations was seen by civil servants as partly reflecting worries about impending cuts under the government's defence review. The report says senior civil

servants were "hell-bent on committing as little as possi-ble" to the Gulf because of the cost-saving review.
"The preoccupation with money and politics of ministers

and advisers continued much too far into the cam-paign...well past the time when conflict became likely,

#### New UK fair trading chief chosen

By Robert Rice and Hugo Dixon in London SIR Bryan Carsberg, director-general of telecommunications in the UK, is to succeed Sir

Gordon Borrie as director-general of fair trading. Sir Gor-don, who will be 60 in March, will step down at the end of June after 16 years in the job. Sir Gordon, only the second person to hold the office since the Office of Fair Trading (OFT) was set up under the 1973 Fair Trading Act, let it be known last year that after completing three five-year terms he had no desire to continue.

He was persuaded by the government to carry on for an extra year to give it time to find a suitable replacement. The Department of Trade and Industry yesterday des cribed as "pure speculation" the suggestion that Sir Bryan's

appointment was a precursor to uniting the roles of the utili-ties' regulators and the OFT. Sir Bryan promised a "proactive" approach to his new job. He said the OFT's func-tions were to "improve the per-formance of the economy by making things more competi-tive and more efficient" and to

It was important that the director-general was independent of political pressures, he said, and he foresaw no problems if the opposition Labour party formed the next govern-ment.

Profile, Page 14

workers' claims, set by the board of the IG Metall union on Monday.

# EC recognises Croatia, Slovenia

By Our Foreign Staff

THE EUROPEAN Community yesterday sealed the formal end of the Yugoslav federation by recognising Croatia and Slo-

venia as independent states. But it put off extending recognition to the other breakaway Yugoslav republics of Macedonia and Bosnia Her-

The landmark decision by the Community was tempered by continued disagreement among member states over tactics, and the fears of some of the Twelve that it could complicate negotiations at the EC peace conference on Yugoslav-

The findings of the conference's arbitration commission under Mr Robert Badinter, the French constitutional expert, expressed the specific reservation that Croatia had not agreed to the conference's plans to accord self-government to majority Serbian areas

inside Croatia. However, President Franjo Tudiman of Croatia undertook earlier this month to "accept entirely" the peace conference provisions for autonomy and minority rights.

The differences within the EC were underlined when Gerdiplomatic relations with Croa-

tia and Slovenia. The arbitration commission's reservations on the ques-tion of human and minority cause even a flicker of hesita-tion in Bonn, where the government spokesman, Mr Dieter Vogel, expressed confidence that the German pressure for diplomatic recognition had been an important contribu-tion towards the realisation of a genuine ceasefire there.

The Dutch government, how-ever, was among those states



German envoy Peter Kailbert (left) and Slovenian foreign minister ements on diplomatic relations in Ljubjana yesterday exchange agre

had agreed, while "expecting the Croatian government to see to it that all the shortcomings mentioned . . . will be remedied."

Mr Piet Dankert, the Dutch junior minister for EC affairs, told an audience in Bayaria that the German threat to press ahead with recognition regardless of its partners' views was "a very unhappy beginning to the common for-eign and security policy, for which the path was cleared at

the Maastricht summit".
France said it might not send an ambassador until Croatia met the required condi-

tions, while Britain said it was considering the question.

trolled federal government reacted with predictable anger to the EC decision, accusing it of "violating international law". While Serbian officials insisted the move would not affect Yugoslavia's interna-tional status, Mr Dobrosav Veizovic, the deputy foreign minis-ter, said it would jeopardise the EC and United Nations

In Sarajevo, the capital of Bosnia-Hercegovina, officials said they were disappointed but not surprised that the EC Editorial comment, Page 14

declined to recognise its inde-

A government official in Skopje, the capital of Macedo-nia, said the EC's objection was based on the principle of "not alienating Greece, which objected to the name Macedonia being used for our indepen-

dent republic."
The Badinter report's finding that Macedonia should also be recognised is bound to bring pressure on Greece to relent in its opposition to a new state on its borders, bearing the same name as one of its provinces.

# Gatt panel condemns support for Airbus

By Paul Betts, Aerospace Correspondent, in London

THE TRANSATLANTIC dispute over Airbus subsidies is likely to intensify following under the mechanism, Daima confidential report by a General Agreement on Tariffs and Trade panel condemning German exchange rate support for Deutsche Airbus, the German partner in the four-nation European aircraft consortium.

The panel was reporting to the Gatt subsidies committee, with which the US government filed a complaint against the European Commission last February. It concerned Ger-many's dollar exchange support mechanism for Daimler-Benz, the German private car group which has absorbed Deutsche Airbus as part of a

ler can ask the Bonn govern-ment to make good the exchange rate difference if the value of the dollar over a year averages between DM1.60 and DM1.80. Germany has argued that the exchange support scheme was necessary to enable the transfer of Deutsche Airbus from state control into the private sector.

But the US government and the American aerospace manufacturers complained that the German move was a distortion of trade and represented a subsidy worth an average of \$2.5m for each aircraft produced by with Gatt a second, more gen-eral complaint against Airbus subsidies. This has been vigorously rejected by the EC and the European aircraft consor-

Gatt panel on the German exchange issue represents on the surface an important vic-tory for the US in the long-running battle on aircraft subsi-

The panel's confidential report was circulated to the parties involved in the dispute this week. But it will require a consensus by the Gatt subsidies committee before being

An Airbus official suggested last night that the panel's ruling was likely to represent only a "pyrrhic victory" for the

Although the panel regarded the German exchange support mechanism as an infringement of the Gatt subsidies code, it apparently did not consider this constituted an export sub-sidy for Airbus finished prod-The EC is now expected to

counter-attack by renewing charges contained in a recently commissioned report by US consultants of government sup-port for commercial aircraft makers like Boeing and McDonnell Douglas.

#### Bush's health care pledge

Continued from Page 1

Speaking to hand-picked busiinclude any minorities, the president played the role of local boy made good, remind-ing his audience that he had gone to school in neighbouring Massachusetts.

Mr Bush has yet to declare himself officially a candidate for re-election. He wants to use every advantage of being an incumbent. Yesterday he foreshadowed a key campaign

**WORLDWIDE WEATHER** 

theme by stressing how he had made the tough decisions a year ago in launching the Gulf

war against Iraq. He also stressed that, unlike some Democrats, he would not support an across-the-board tax cut just to buy electoral votes in the southern primary elections. This appeared to be a direct reference to Governor Bill Clinton of Arkansas, the early Democratic front runner, who supports a tax cut of up to \$350 for middle-class AmerContinued from Page 1

their money out of Russia: they woke up to what was happen-ing and killed their credits. It means that this government

has almost no funds. It is in a desperate position." Though the west's recognithough the west's recogni-tion that Russia must be admitted quickly to the IMF was encouraging, he said that "Russia will need more than the IMF could give, and (will need such aid) before it is admitted to it."

Threat to Russian reform Leyla Boulton in Moscow

writes: Mr Yeltsin yesterday repeated a warning that Russia could introduce its own cur-rency if neighbouring Ukraine, second richest commonwealth state, abandoned the

Russian currency if some of the republics were not trying to outstrip us. We are watching them and we have some infor-mation where and how Ukraine is printing its banknotes", he said.

"We would not introduce a

# A costly policy from Lloyd's

Companies do not survive for long with a cost structure 43 per cent above what is needed to offer shareholders an accept-able return. That is perhaps the most fundamental reason why the Lloyd's insurance market will be forced to act quickly on the many sensible recommendations put forward yesterday in the report led by Mr David Rowland. Given his reputation for knocking Sedg-wick into shape, Mr Rowland is a credible taskmaster.

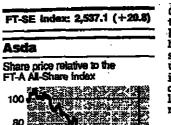
Even his apparently savage target expense ratios, though, could prove optimistic. They assume, for example, that underwriting results and investment income at Lloyd's will return to the average levels of the period 1979-1988, years which apart from the able. It could be that world-wide capacity reductions and hardening premium rates in some areas like marine and aviation herald a sharp turnround in the insurance industry's fortunes. It would be unwise to count on it.

The main surprise yesterday was the report's proposal that the divestment rules in the 1982 act should be reversed. It is possible to argue that tighter regulation today takes care of the conflict of interest prob-lem, and that ownership of underwriting agencies by the brokers will encourage stabil-ity. Quoted agencies tend to be poorly understood by investors and follow a different cycle. That apart, the unspoken message of the report is that Lloyd's needs its brokers more than the other way round.

#### US markets

US markets have been strikingly unanimous in signalling expectations of economic recovery this week. The dollar and equities have risen, if with some hesitation on the part of the latter yesterday; the bond market has been soft. This determination to call the turn is all the more curious given the absence of hard evidence that recovery is under way. On the contrary, Tuesday's retail sales figures pointed to con-

tinuing weakness.
Pessimists would argue there is no general message in the may not be so much a case of dollar strength as of D-Mark weakness, caused by worries about strike action in Germany. The bond market faces a glut of Treasury issues over the next few weeks. Investors are switching into equities from low-yielding money mar-



It nevertheless seems increasingly likely that last month's discount rate cut has in fact laid the ground for recovery. There is increased scope both for corporations and consumers to improve their cash flow by refinancing debt, and for higher banking

margins which should stime late credit growth. The uncer-tainty for the markets is thus not whether an upturn is on the way, but more over its strength and timing. It may not set in until the second quarter or even later.
Until then, there is a risk of setbacks. Negative indicators sernacia. Negative indicators may yet discourage equity investors and prompt the exchange market to question how quickly interest rates will harden again. In any case, at these levels the equity market is already pushing its luck. It could not advance much further without any arresting to dis-

# ther without appearing to dis-count a boom. That would be self-defeating, as the Federal Reserve would be forced once

British Gas Yesterday's initial 4 per cent jump in British Gas shares on its capitulation to the Office of Fair Trading showed how little faith the market had in the gasman's willingness to bow to the inevitable. The fact that the gain then all but evaporated was a more realistic measure of the difficulties Gas faces. Having claimed that its ability to meet shareholder would be hampered unless its regulator also climbed down, Gas can do little more than put on a brave face while it is bro-

ken into pieces. The shares will increasingly suffer a two-way pull, with their yield attraction diminish-ing as their break-up value is clarified. The message will

tors in BT. As Sir Bryan Carsberg prepares to leave Offel his counterpart at Ofgas has shown what a determined regulator can achieve. A new incumbent at Oftel might choose to take up the challenge: a new government might conceivably require it.

Yesterday's 19 per cent rise in the Asda share price might seem a generous response to an interim retained loss of an interim retained loss of £106m, or 16 per cent of the group's market value. But the £10m pre-tax profit before exceptionals was rather better than expected; and if the exceptionals were worse, that doubtless testifies to the reforming zent of the ness men. reforming zeal of the new man-

The snag is that the group's new strategy has not yet been formulated, let alone pub-lished. It remains worrying lished. It remains worrying that, with Gateway also searching for a role, some 20 per cent of the UK grocery industry depends for its future on finding gaps in the market. Asda prefers to point to its huge asset base and the transformation that would ensue if it were put to productive use. But with the grocery market faltering, it could still all go wrong. The prudent strategy for investors is to wait for hard evidence, even at the risk of missing the early part of any rise.

#### First Leisure

If Brent Walker has any fans left, they might profit by study-ing the steady rise of First Lei-sure. Since its flotation in 1984 it has outperformed the market by more than 200 per cent, while its market capitalisation has risen tenfold to £460m Granted, yesterday's earnings were only marginally up on the year before, and that only because of a lower tax charge. But the performance was still remarkable when set against

The trick has been simple enough. From the start, First Leisure avoided high gearing in favour of cautious expan sion and tight cost controls. It refined its markets - unglabowling and discotheques - and offered customers an attractive combination of comfort and value for money. When consumers start spend-ing again, it should justify its historic rating of 19 times earnings. Until then, it can quietly chip away at competitors' mar-ket share.

THIS ANNOUNCEMENT APPEARS AS A MATTER OF RECORD ONLY.

#### POWER GROUP INTERNATIONAL LTD

Petbow



**IRRESTRY** 

MANAGEMENT BUY-OUT FROM FLS INDUSTRIES A/S £13,000,000 **FUNDS INVESTED** 

Arranged and Negotiated by:

Equity Subscribed by: 3i Group plc Barclays Development Capital Ltd BZW Buy-out Trust II

> Term Debt Provided by: 3i Group plc **BZW**

Working Capital Facilities Provided by: Bank of Scotland

Investigating Accountants:

Price Waterhouse Legal Advisers:

Lovell White Durrant 3i Legal Department Ashurst Morris Crisp Advisers to Management: Neville Russell

December 1991 3i plc, Invicta House, Pudding Lane, Maidstone, Kent ME14 INX Tel: 0622 685680

3i plc and 3i Group plc are regulated in the conduct of investment business by SIE.





# **FINANCIAL TIMES** COMPANIES & MARKETS

O THE FINANCIAL TIMES LIMITED 1992



INSIDE

i like up the

Falls to the E

that would be

i could all

in bloom of

TS D to talk

cistire

Walser beer

ticki meleke

its litteret

Total (Box

then Mu:

तकती में द**्या** 

College and

ን መጀመር የሚ

in. 350 us:

TOTAL BE

TRACA :

· ... 治型

and the second

THE PARTY OF

: | distable

taler bis

Loar gels

1112

\_ n. !4**35**7

tivo # 🖼

क्या विशेष

Sales at Olivetti decline by 5%

Olivetti, vie ranen computers and office equipment group, a 5 per cent fall in sales to L8,600bn (\$7.17bn)

last year. No figures for profits were release However, some analysis expect a loss of at least L200bn for 1991. Elserino Piol, Olivetti's director for central operations, expressed confidence that measures now under way would restore profitability this year. Page 18

Sugar spills to the floor



Traders around the world will be watching the raw sugar market closely tomorrow as the London market ditches its computer screens, brought in only 12 months ago, and returns to the floor. The move comes as the trouble London Futures and Options Exchange (Fox) embarks on a year of readjustment after its property futures debacle. Page 26

US car groups announce record sales in W Europe

Ford and General Motors announced record turnover yesterday in western Europe for 1991. Sales, up 4 per cent for Ford and 1 per cent for GM, helped to offset the two companies' sharply deteriorating market performances and heavy losses in North America. Ford, second behind GM in North America, outperformed its rival in Europe, claiming 1,58m sales com-pared with GM's 1,565m, Page 18

First Leisure rises 4%



theque, 10-pin bowling and tourist attractions group, yesterday innounced a 4 per cent rise in pre-tax profits to £30.4m after what it described as the most difficult year since it was set up in 1983. Lord Delfont (left), chairman, said the first half of the current year would be par-

ticularly difficult and would coincide with the planned closure of Blackpool Tower and several discotheques for redevelopment. Page 24

Henkel sales rise 8%

Henkel, the German chemicals and consumer goods maker, boosted sales last year by about 8 per cent, but net profits are expected to show little-change over the 1990 results, Mr Helmut Sihler, chairman, said yesterday. Page 18

Waterford buys Express Ireland Waterlood Foods, the Irish dairy and foods group, has agreed in principle to buy Express Ireland, a dairy offshoot of Grand Metropolitan. the UK drinks, food and retailing group, for an estimated I£100m. Page 25

Market Statistics

Base lending rates Burchmark Govt bonds FT-A tudices FT-A world indices FT tid bond savice Figuresial futures Footogrammas

London traded options London tradit, options, Managed fand service Money markets
Money markets
New int. bond issues
World curamodity prices
World stock mid indices
UK dividends armounced

Cityvision Co of Designers CrossLand Savings

20 Grand Metropolitan 25
29 Group Dev Cap Trust 24
Alcoa 29 Grupo Tudor 18
Anterican Home Prods 20 Hanson 24
Anigloves 20 Henkel 18
Bank of Boston 20 Infl Paper 20
Beales Hunter 24 MIM Holdings 28
Berkeley Govett 22 Motorola 20
Bolse Cascade 20 Neste
British Agrospace 24 Olivetti
Cityvision Pelican
Piepublic Nat of NY
Salomon Bros
ScottishPower
Seton Healthcare Crown Comms Drummond South Wales Elect South Western Elect First Leisure Fleet/Norsier Southern Business St George Build Soc General Motors Genoold Granada Thames Water Littlicorp

Chief price changes yesterday 

Thursday January 16 1992

# Porsche cuts dividend as profits fall 70%

PORSCHE, the German sports car manufacturer, has cut its dividend after a steep slide in profits caused by recession-hit foreign markets and high provisions for

Group net income fell 70 per cent from DM57m to DM17m (\$10.6m) in the year ended July, 1991, and the dividend on the voting shares, owned by the Pursche and Piech families, falls to DM9 from DM12 a share. The preference share dividend falls a similar amount to DM10 from DM13.

sche finished the year with a worse-than-expected result. The company had earlier warned that net profits would emerge at

Mr Walter Gnauert, finance director, said the provisions totalled some DM60m, including the cost of shedding 550 non-production workers. The dollar's decline had reduced operating profits by DM66m, while model changes had held back production. Rarnings per share were down to DM23 from DM68.

said the weak state of some car markets meant last year's sales and profit levels would not be achieved this year. "This is a dif-ficult phase for Porsche," he said. Unit sales would drop further from 26,200 to around 25,000 in 1991-92. This compares with 30,200 in 1989-90 and 50,000 in 1986-87, just before Porsche's sales and profits collapsed as a result of the weak US market.
Last year, Porsche's performance in the US again deteriorated. Turnover there was 26 per

per cent decline in other foreign markets. In Germany, however, sales jumped 39 per cent. Group turnover eased 1 per cent to DM3.1bn, of which cars accounted for DM2.4bn.

Mr Bohn said Porsche, which has been subject to intense takeover speculation, could absorb the sales decline: "Our aim is not just unit sales. Our main goal is to keep the company healthy and thus remain independent". He added: "The voting share-holders have said they neither

Realism impresses more than magic

giving outsiders a stake, except in the preference stock." Companies which have expressed interest in Porsche include Mercedes-Benz, Volkswagen and BMW. Mr Gnauert said Porsche had net liquid funds of DM620m. Cash flow was DM273m (DM297m). Capital spending totalled DM232m. Kolbenschmidt, the motor components subsidiary of Metallgesellschaft, is halving its divi-dend to DM4 a share. It has already announced a decline in 1990-91 pre-tax profits from



#### **Exceptional** costs drag Asda into heavy loss

By John Thornhill

ASDA, the struggling grocery chain, yesterday reported an interim pre-tax loss of £58.8m (\$120.7m) as it suffered from falling operating profits, a mounting interest bill and a string of exceptional charges.

Profits profits fell from \$59.4m

Pre-tax profits fell from £58.4m to £10.1m in the 28 weeks to November 9 but the company was dragged into heavy loss by exceptional costs of £78.9m relating to reorganisation charges and property write-downs.

The City of London had been

braced following an earlier warning from the company. Mr Bill Myers, food retailing analyst at Benderson Crosthwaite, said: "In the circumstances it was about the best outcome we could have hoped for."
Asda's sales grew from £2.25bn
to £2.3bn but operating profits

fell from £107m to £74m in diffi-cult trading conditions.

Asda's grocery stores produced profits of £84m (£100.9m) on sales slightly ahead at £2.2bn. But losses from the Altied Maples furmishings business amounted to £13.2m (£3.2m) and the Gazeley property business saw profits fall to £3.2m (£9.3m). The interest charge rose to £63.7m (£44.4m).

The exceptional costs split as follows: the recent financial restructuring cost £11.1m; head office rationalisation, including the loss of 350 johs 19 6m; writeoff of capitalised distribution start-up costs, £19.1m; and provi-sions against its development properties at Gazeley, £29.1m. Asda accepted it had paid too much for the 60 superstores it bought from Gateway for £705m

Losses per share came to 5.71p against earnings of 2.9p the year before. An interim dividend of 1.25p was recommended against 1.85p last year.

There are no sweeping solutions to Asda's problems, says Archie Norman, chief executive. John Thornhill reports r Archie Norman, who has been chief executive of Asda for less than a month, yesterday achieved the rare feat of impressing the stock market by saying almost nothing about the future of the troubled UK grocery group.

"We are not coming in in a grashbackling way and saying swashbuckling way and saying that we have the magic formula for Asda. What we have to do is look at the assets of the business and see whether there is potential for doing something better with them," he said.

Yet his comments - and the

company's better-than-feared results - added 19 per cent to Asda's market value as its shares closed 5%p higher at 34%p. Mr Norman's refusal to suggest sweeping solutions to Asda's deep-seated problems was appre ciated by analysts, who said the approach smacked more of realism than reticence. "After all, he has probably not even got sensi-ble answers to his questions yet,"

analyst at Kleinwort Benson. But analysts can see the outlines of Asda's immediate strategy. It can be summed up in Mr Norman's statement: "It is essential to make Asda's core business

said Paul Smiddy, food retailing

Over the past few years, Asda's grocery chain has lost much of its appeal while its rivals' offerings have forged ahead.

The new management's immediate micrity is to regions credi-

diate priority is to restore credibility with customers by improving Asda's pricing proposition, sharpening its product offering and improving the physical appearance of its stores portfolio. Already the company has taken several initiatives on the price front. It froze the price of 20,000 items in the run-up to Christmas and has recently introduced a range of 200 lower-priced products at its underperforming stores. Next week, Asda will launch an extra value promotion featuring hundred of products at "substantial" reductions.

show Asda to be offering more competitive prices than at any

time since 1987. The company's products will also be scrutinised. Asda's George range of clothing - produced by Mr George Davies of Next fame - has been doing "quite well" with clothing sales up 25 per cent. But home goods, which account for most of nonfood sales, lack "authority" and tle up capital in slow-moving

Task force: chairman, Patrick Gillam (left) with Archie Norman must restore Asda's credibility Asda Group Share price (pence) Pre tax profits/loss (£m) **'**≋≎ 100 i 91

As well as the all-important task of winning back customer loyalty, Asda must exploit its market position and assets far more effectively.

The company runs 200 superstores with more than 8m sq ft of selling space. It has annual sales of £4hn (\$7bn) with particularly strong market shares in Scotland and North England. At great expense, it has built eight composite distribution centres sup-plying more than 80 per cent of its food sales and has introduced

information technology systems at all its stores. Yet as the company readily

nificantly underperforming against its profit potential." Mr Norman yesterday expressed dismay at the "lousy" way Asda used its sales information. I cannot tell you whether our canned vegetables are profit-

able or our toys. But the systems

that we now have in place give us the opportunity to do that," he

said. Such improvements are an

obvious priority. Asda accepts it has lost the "me-too" battle it fought with the industry leaders. Sainsbury's and Tesco. But it has yet to develop a viable formula for ensuring future prosperity. "It is going to be a very excit-ing task but it clearly has a lot of risk attached to it," said Mr Nor-

One immediate problem is the poor performance of Asda's 49 older stores – some of them 25 years old – where sales slipped 6 per cent during the half year.

t remains an open question whether it is worth investing heavily in these outlets and some of the more hopeless stores will no doubt be swiftly closed. But the company may choose to use some of the space more creatively - perhaps adopting a different trading format as Gateway has done by launching its Food

making superstore sites.
Intriguingly, Asda said new store formats and pricing strategies would be tested with the "expectation of roll-out from 1993

But the company has little time to tackle these concerns. It result of the recession while watching its competitors increase the competitive heat with big

store-opening programmes.
In spite of its recent £357m rights issue, Asda is saddled with debts of £668m which it will find difficult to pay down simply from This raises the prospect of it

selling Allied Maples, its furnish ings business, or disposing of its 25 per cent stake in MFI, the furniture group. But the company cannot count on selling assets in the current climate and analysts suggest it may yet have to look for further financing perhaps through a convertible bond issue. Mr Norman yesterday seemed under few illusions about the gravity and urgency of the problems confronting him. "History does not matter to Asda any

# According to the company, such initiatives are already bear-Shanghai exchange offers shares to foreign investors

By Simon Holberton in Hong Kong

THE development of a western-style capital market in China took a further step forward yesterday when the Shanghai Stock Exchange amounced the first public offering to foreign investors of shares in a Chinese

company.

The exchange said that 1m "B" shares in Shanghai Vacuum Klectron Devices Company, a maker of core components for the Chinese television industry, will be offered to foreign investors on Monday and would be available for three days. for three days.

The shares, with a face value of Yn100 (\$18.5), will be sold to foreigners for Yn420 each, to raise Yn420m, or \$78m. They will be listed on the Shanghai exchange for trading on February

important company listed on the investors, with respect to Shanghai exchange, representing voting rights, dividends and 70 per cent of the exchange's participation in new share total market capitalisation.

The success of the issue will be

regarded as an indicator of Chi-na's likely success in the future with similar offerings to foreign investors.

The Chinese government and its agencies, which currently control 73 per cent of the company, expect its shareholding in Shang-hai Vacuum to fall to around 50 per cent as more of the company is sold to foreign and domestic

Recently 2m "A" shares were issued to the Chinese investing

The "B" shares on offer confer e disted on the shangdat the same rights of ownership Hong Kong financ on foreign investors as the responsible for selling Shangbai Vacuum is the most "A" shares do upon domestic to foreign investors.

They will, however, only be able to be traded on the Shanghai exchange which will keep a regis-

try of ownership.

As one foreign broker to the issue said yesterday, the Chinese government would always outnumber other investors on the company's share register and decisions concerning the company would always be influenced by the state.

That's the risk you have to take when investing in a Chinese company," he said. SECI Asia Finance, Salomon Brothers and Sun Hung Kai, a Hong Kong finance house, are responsible for selling the shares

# Waiting for a more pressing time

By Raymond Snoddy in London

RIVE sophisticated colour printing preses worth around £30m (\$52.6m) are being stored in a disused coach terminus in Glasgow, Scotland — as a result of the collapse of the Maxwell publishing empire. The Koenig & Bauer presses.

capable of producing an 80-page nawapaper with top quality colour, were destined for Mirror Group Newspaper's Scottish titles — the Scottish Daily

Record and the Sunday Mail. They were ordered in the days when the late Mr Robert Maxwell was still expanding and enthusiastically introducing the latest colour technology to

Now they are stranded a couple of streets away from the Scottish Daily Record headquarters at Anderson's Quay under 24-hour security in a covered section of the

terminus where buses used to be repaired. The last of them arrived about five weeks ago.

There seems little chance in the foreseeable future that MGN will be able to afford the more than £50m needed to build a new press hall and install the presses

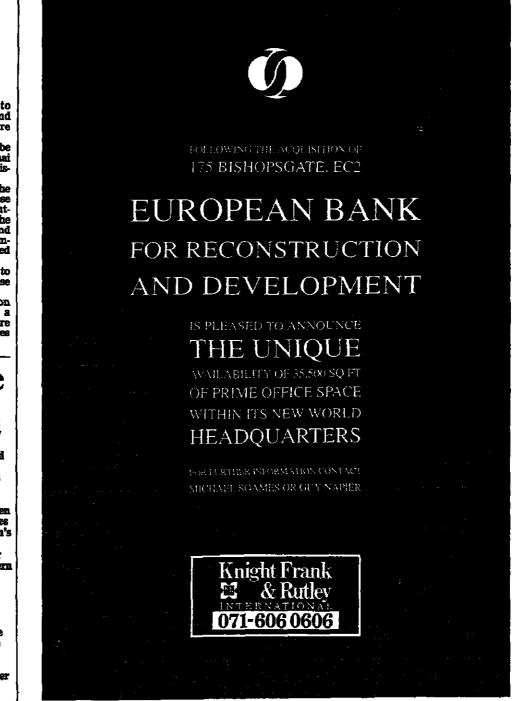
and associated machinery.

Meanwhile, the Daily Record
and Sunday Mail, which had
advertising and circulation revenues of £76m in 1980, has to pay leasing charges on the presses of more than 26m a year. presses of more than 10m a Three of the presses are the property of Barclays Bank and the other two belong to the Royal Bank of Scotland and have plates attached to prove it. It seems likely that their future will not be determined until the future of Mirror Group Newspapers itself is decided when the administrator of the

manages to sell the 51 per cent of the company now effectively owned by the banks.

The five presses were ordered in the days when Robert Maxwell had grandiose visions of printing The European in Paris and becoming a leading tract printer in France. When that came to nothing the presses were then diverted to Anderson's Quay where the Record, the largest selling daily newspaper in Scotland, needed more modern

Work began 18-months ago driving piles into the banks of the River Clyde to strengthen the floor of the press hall. It stopped about a year ago as the Maxwell empire began to come under financial strein and has not been resumed even though the Daily Mirror now has crisper colour than the Daily Record. Pension losses, Page 24



Daiwa and

Trust advise

Rosneftegas

BANKERS Trust, the US

merchant bank, and Daiwa

Europe, the European arm of

the Japanese investment banking house, have been appointed joint financial advis-ers to the Russian Oll and Gas

Corporation (Rosneftegas).
They will assist in planning and implementing a comprehensive re-organisation of the

**Bankers** 

By Anthony Robinson East Europe Editor

#### INTERNATIONAL COMPANIES AND FINANCE

# European sales offset GM, Ford losses in N America

FORD and General Motors yesterday announced record sales in western Europe last year, helping to offset their sharply deteriorating market performances and heavy losses in North America. Ford, second behind GM in

North America, outperformed its rival in Europe, claiming 1.58m sales, compared with GM's 1.565m. Ford's sales increased by 4

per cent, or 28,000 units, on 1990, and by 2 per cent on the previous record year of

15.000 units.

With total west European car sales still being finalised, the precise market shares of both companies have yet to be identified. Both, however, are expected to trail well behind the market-leading Volkswagen group.
Ford said its Flesta model

set its own sales and produc-tion records to become the best-selling model in its class. Both sales and output rose by 2 per cent, two 615,000 and 620,000 respectively.

provisions were up only 1 per cent - or in the UK, sales throughout By Andrew Bolger the region as a whole jumped by 24 per cent last year, to

620,000. Sales of Ford's larger cars, Sierra and Scorpio, declined; Sierra by 0.4 per cent to 271,000 and Sierra by 0.2 per cent to

In percentage terms at least, by far the biggest sales jump for Ford – from 1,200 to 7,200 came in sales of US-produced cars, particularly its Probe coupe. Ford expects a boost from the Probe from 1998, when it is expected to be

wholly dwhell subshibly, and make provisions against the cost of developments com-pleted and in progress at the end of 1991. ABP said these exceptional provisions were likely to absorb most, if not all, of the profits achieved within the group's other businesses dur-ing the second half of 1991, so full-year pre-tax profits were likely to be little different

wiped out the group's profits in the second half of last year. The continuing deteriora-tion of the British property

market caused the group to

review the portfolio of Gros-

venor Square Properties, its wholly owned subsidiary, and

**Associated** 

**British** 

from the £31.7m (\$56.74m) achieved in the first half. The group said income from the group's port and transport business and from investment properties continued to be sat-isfactory, so directors expected they would be able at least to maintain the final dividend of

A.5p per share.
ARP's shares were 4p lower at 319p yesterday, having fallen more than 40p last week on speculation that there would be provisions and write-

would be provisions and writedowns on property.

The group said it had organised a revaluation of the
investment portfolio of Grosvenor Square Properties, comprising three shopping centres
transferred from the development portfolio during 1990
and some other income-producing properties transferred
from the development portfoito during the second half of
last year. It expected this last year. It expected this would lead to a write-down, charged to reserves.

The ports group inherited considerable property assets at the time of privatisation and extended further into property when it bought the USM-quoted Grosvenor Square Properties for £15m in 1987. ABP said its balance sheet

remained strong, with net bor-rowings at the year-end of £385m, a reduction of £60m Tudor bought the first half of has made large losses and the since the previous year.

#### Olivetti reveals difficulties with 5% decline in demand Ports hit by By Haig Simonian in Milan

OLIVETTI, the loss-making Italian computers and office equipment group, yesterday gave an insight into its trading difficulties by announcing a decline in sales of around 5 per cent to 1.8,600hn (\$7.17bn) for ASSOCIATED British Ports Holdings, the UK's biggest ports group after privatisation in 1983, said that provisions on its property portions had wined out the execute's profits

No figures for profits were released. However, some analysts expect the company to report a loss of at least L200bn for 1991, compared with net earnings of L60.4bn in

At a press conference held to coincide with the group's move to a simplified operating struc-ture, Mr Elserino Piol, Oli-vetti's director for central operations, was confident that measures now under way would restore profitability this

The downturn has been par-

THE TREUHAND agency's managing board is to choose today between rival bids for

eastern Germany's lucrative Minol petrol stations which are

being sold in combination with

the loss-making Leuna refi-

A British Petroleum-led con-

sortium including Total, the French oll company, Norway's Statoll, Agip of Italy and the Austrian OMV, is competing against a consortium led by

Thysies Handelsunion which includes Elf-Aquitaine, partly-owned by the French govern-ment, and Deutsche SB-Kauf.

Minol made a profit of DM250m (\$158m) in 1990 while

ticularly acute in Europe. According to industry sources, European demand for computer hardware fell by 4.9 per cent in 1990-91 and would be static in 1991-92, while prices fell by 35 per cent to 40 per cent in 1990-91.

Mr Bruno Lamborghini, Olivetti's director of economic research, warned that oversup-ply, coupled with soft demand and the continuing shift to smaller but more powerful computers, meant further price cuts were inevitable this year. However, the reductions were likely to be less severe than in

1990-91. Olivetti intends to confront the crisis with a mixture of innovation, cost savings in the form of across-the-board labour cuts and further transfers of production from Europe to

the obsolescent Leuna refinery contributed 50 per cent of the

DM2.1bn turnover of Leuna chemical works which had losses of DM360m last year.

The Treuhand is selling them as a package in order to find a buyer for the hard-to-sell refi-

nery which is closely inte-grated with the Leuna chemi-cal plant.

A Treuhand official said the

Thyssen-led consortium appeared to have an advantage

as it was offering more than DM5bn in investments to build

a new Leuna refinery and pipe-

line and to modernise the pet-

rol stations. One of the agen-cy's conditions was that the

cheaper manufacturing regions such as Singapore.

In stormy meetings with unions last week, the company called for a further 2,500 job cuts in Italy this year. Unspeci-fied redundancies are also expected at the group's foreign operations, which employ around half its 47,000 work-

force.
Olivetti hinted that cuts could hit its Triumph Adler subsidiary in Germany, which has already closed one plant in Frankfurt.

The decision to move produc-tion outside Europe would

focus on lower-cost products, such as office equipment, in which Triumph Adler speci-alises. Olivetti's presence in office equipment products would be "rationalised," it

new owner must supply the

chemical plant with advanta-geously-priced products. BP, which entered the east

German market soon after the collapse of the communist

regime, had been confident that this had put it in a favour-

able position, an official said. However, BP did not obtain the

subsidies it had counted on. Both London and Paris lobbled

nemaye reorganisation to the industry into competing, vertically integrated oil companies open to foreign investment and technical assistance. technical assistance.
The corporation, which groups together the 47 main Russian oil production, exploration and related service enterprises, was responsible for about 90 per cent of the estimated 500m tons of oil produced in the former Saviat duced in the former Soviet Union last year. It is essen-tially a reincarnation, under Treuhand to rule on petrol bids the guise of a joint stock com-pany, of the former Ministry of Oil and Gas Industry which it replaced in October 1991.

The decision to involve lead-

ing US and Japanese bankers as advisors in the re-organisa-tion of the ailing industry reflects the top priority given to raising the efficiency of the Russian oil and gas industry. Russian oil and gas industry.

Production has declined by around 100m tonnes over the past three years. A report prepared for the Russian government by Moscow's Institute of World Economy and International Relations predicted this week that Russian oil output could fall to between 280m tonnes by the mid-1980s. Both London and Paris 10001ed strengly in Bonn.

Minol's 1,300 petrol stations in eastern Germany have higher sales per pump than equivalent stations in the west and the company is expected to profit heavily from the sharp crowth in car ownership. 300m tonnes by the mid-1990s from a 1988 peak of 569m tonnes. It blamed low investment, poor extraction techniques and maintenance, outdated equipment and poor management. At least 22,000 production wells are currently

11.8

4. 14.

W.W.

Teron

Count

is on

Bankers Trust is currently serving as financial adviser to the Tobolsk petrochemical project in western Siberia, the largest energy related invest-ment project currently under-way in Russia.

The choice of Daiwa partly reflects Moscow's desire to attract Japanese and other Asian investment in the development of energy and other

#### GM sales set a record for the Despite a poor reception for seventh year in succession, but the latest Escort/Orion range as the Capri in the UK. Adam Opel lifts turnover 15%

ADAM OPEL, the German the best in the German motor subsidiary of General Motors, industry. In 1990, net profits raised turnover last year by 15 per cent to around DM27bn (\$17bn) and increased its sales in Germany by 26 per cent to 719,000 cars, Mr Louis Hughes, the chief executive, said.

He also warned that excessive pay rises this year could endanger jobs in Germany. "I am very worried about wage developments in Germany," he said. The IG Metall trade union this week set a 9.5 per cent ceiling for regional pay claims; last year's pay settlement in the engineering sector was 6.7

Mr Hughes declined to give any indication of Opel's profits for last year, but said the result would again be one of

advanced by 18 per cent to

DM13bn.

He said the jump in sales in 1991 occurred despite a 5 per cent fall in production caused by the replacement of the Kadett by the new Astra fam-ily model; the difference was de up by imports from other GM plants in Europe. This year, Mr Hughes expected the German new car market to decline after last year's surge in demand after unification. "We expect a marked drop in the German market from 4.2m to around 3.5m units," he said.



again be one of the best in the German motor industry

# Henkel expects profits to be flat

By Christopher Parkes in Bonn

HENKEL, the German turnover in cosmetics to 10 per chemicals and consumer goods cent of the group total. maker, increased sales last year by about 8 per cent, but net profits are expected to be about the same as 1990's

DM429m, Mr Heimut Sihler, chairman, said yesterday.

Confirming the purchase, announced in Stockholm last week, of the Barnangen household and personal products common them. company from Sweden's Nobel Industrier, Mr Siller said the acquisition had cost DM900m (\$569.6m). It had increased

cent of the group total.

Henkel had achieved "criti-cal mass" in several European markets. "Cosmetics is now a very profitable business," Mr Sihler said, although a greater presence in Britain would be

Barnängen is best known in Britain for Aapri skin care products, in France for Le Chat, and in Germany for Vadenecum toothpaste. Household detergents and cleaning products, a Henkel

speciality accounting for 32 per

DM150m and DM200m of debt, Mr Sihler added. It would be funded from group reserves and borrowings. Henkel expects sales in the

cent of group sales, comprise 15 per cent of Barnangen's including the Fa and Poly brand names, account for a further 76 per cent. The deal includes between

current year to increase from DM12.9bn in 1991 to around

#### Neste to sell rest of battery stake By Robert Taylor in Stockholm group needs a strong owner," said Mr Ulf Hogland, vice-president of the Tudor group. the battery division from the Finnish

NESTE. state-owned oil and chemicals conglomerate, plans to sell for an undisclosed amount its remaining 50 per cent stake in its battery division to S E Del Acumulador Tudor (Grupo Tudor) of Spain, one of Europe's leading battery com-

It was in March 1990 that

Neste. In a statement, Tudor said, its intention was to create a pen-Nordic subsidiary com-peny with an annual SKribn (\$170m) turnover, specialising in the production of batteries for vehicles and industry as part of the groun's Eventual part of the group's European restructuring programme.
The Neste battery division

Efforts are being made to reduce the division's costs which Tudor says are too high in a very competitive market. Since 1987, the Spanish com-pany has cut its labour force in the Nordic region to 750 from 1,400 and rationalisation will

FINANCIAL TIMES CONFERENCES

# International Packaging

# **Environment**

London, 23 & 24 March 1992

The packaging industry is facing its greatest upheaval this century as the impact of environmental legislation begins to take effect. The materials used by packaging companies, how their goods are manufactured, distributed and disposed of, are becoming issues of major importance not only to environmental pressure groups but to legislators worldwide. There are concerns too that rigid packaging legislation could threaten the free flow of goods across borders.

Speakers will include:

Mr Clemens Stroetmann Federal Ministry for the Environment, Nature Conservation and Nuclear Safety, Germany

Mr Sverker Martin-Löf

Mr John D Bence Stone Container Corporation

Mr Bradford Gentry Morrison & Foerster

Dr Graham Gladden

Lever Brothers Limited

Mr Michael Samuel J Sainsbury plc

**Dr Hans Rausing** The Tetra Pak Alfa-Lavai Group

**Mr Rainer Grohe** VIAG AG

Professor Dieter H E Berndt **European Packaging Federation** 

Mr György Viszkei Hungarian Association of Packaging and Materials Handling

Mr Gérard Pré Nestec Ltd

Dr-ing Olaf Oelsen Duales System Deutschland GmbH

# International

Please send me further details. l am interested in exhibiting at the conference



FINANCIAL TIMES CONFERENCES

Name	·	
Position	Dept	
Company/Organisation		
Address		
	City	
Post Code	Country	
Tal Tal	Fax	

# January 16, 1992 Nomura, open for business in Czechoslovakia

The Nomura Securities Co., Ltd. Prague Representative Office Na mustku 9 110 00 Praha 1, Czechoslovakia Telephone: (42-2) 235 8911 Fax: (42-2) 235 8926 Under the Management of Mr Ushio OYA



LOCAL COMMITMENT - GLOBAL CAPACITY

THE NOMURA SECURITIES CO., LTD. 1-9-1, Nihonbashi, Chuo-ku, Tokyo 103, Japan Telephone 81-3-3211 1811

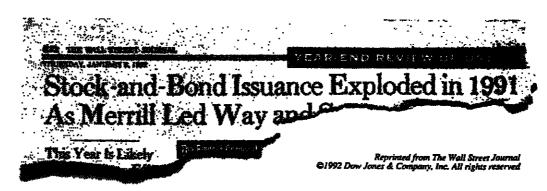
European Network: Amsterdam, Basel, Berlin, Brussels, Budapest, Frankfurt, Geneva, London, Lugamo, Luxembourg, Madrid, Milan, Munich, Paris, Prague, Rome, Stockholm, Vienna, Zurich. Worldwide Network: New York, Chicago, Los Angeles, Toronto, Montreal, Sao Paulo, Bahrain, Hong Kong, Singapore, Jakarta. Bangkok, Shanghai, New Delhi, Seoul, Sydney, Melbourne, Kuala Lumpur, Beijing, Shenzen.

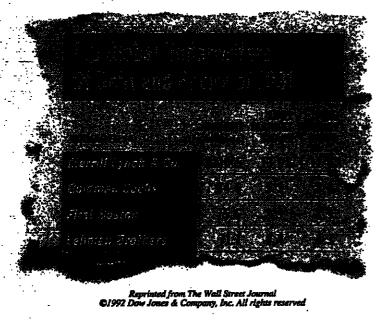
Issued by The Nomura Securities Co., Ltd. Approved for distribution in the UK by Nomura International plc, a member of the Securities and Futures Authority and the London Stock Exchange.

# The difference between luck and leadership is consistency.

Anyone can have a good month or a great quarter, but it takes a leader to top the mark consistently. 

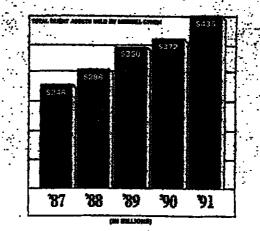
That's especially true when it





comes to raising the capital that fuels free enterprise. For the fourth straight year, Merrill Lynch maintained its lead in U.S. debt and equity underwriting. Worldwide we increased our first-place share, serving as lead underwriter for 13% of new-issue volume, or \$111 billion.

That consistency and leadership may also help explain why so many people entrust their money to us. Assets held in private client accounts worldwide have reached a record high of nearly \$435 billion, far more than our nearest



competitor. Impressive as these figures are, they're more important for the commitment to our clients that they represent. Im As our business grows, so does that commitment.



# Bank of Boston's merger talks with Shawmut fail

By Alan Friedman in New York

TALKS on a merger between Bank of Boston and Shawmut National Bank that would have created the largest bank in New England, collapsed yesterday after Shawmut found the terms of the planned merger

Shawmut said the reason it had terminated discussions was the extent of its financial

recovery.
Mr Joel Alvord, chairman of the Connecticut-based Shawearnings, asset quality, loan-loss reserve coverage and capi-tal ratios had persuaded the bank that its best interests would not be served by the

merger. Mr Alvord said Shawmut would next week report fourth-quarter results showing the Improved performance.
Mr Ira Stepanian, chairman

of Bank of Boston, said he also

expected improved fourth-quar-ter results. He said that after an independent review of the due diligence study of the merger the terms for the proposed deal were found to be imacceptable to Shawmut.

Both Shawmut and Bank of Boston have been hard hit by the real estate crisis in New England and both suffered heavy losses in the first six months of 1991, of \$175.4m (Shawmut) and \$188m (Boston). Both banks achieved a small profit in the third quarawmut earned \$2.3m and Bank of Boston \$18m.

Bank of Boston \$18m.

Last October, Shawmut entered into an agreement with the Federal Reserve Bank of Boston that required Fed approval for the payment of dividends and other decisions. At the time, the merger talks appeared to be on track. Analysts have said Shawmut

and Bank of Boston were having difficulties assuring bank regulators they would be able to raise an estimated \$625m in fresh capital in conjunction with the merger.

Wall Street nonetheless seemed cheered that the merger was off. Bank of Boston's stock price rose by 1/4 to \$14% yesterday morning, while Shawmut's price jumped by \$1% to \$11%.

• Fleet/Norstar, the Rhode Island-based bank that joined forces last year to acquire the failed Bank of New England (BNE), yesterday reported fourth-quarter net income of \$35m, compared with a loss of \$59m a year ago.

The bank earned \$98m for the whole of 1991, following \$73m of after-tax charges related to the BNR acquisition and \$321m of loan loss

reflected "sluggish economies in the US and Europe", said Mr George Pisher, chairman and chief executive. "This impact should con-tinue to be feit in the first half of 1002 with the potential for time to be felt in the first half of 1992 with the potential for modest economic growth in the second half."

Sales for the full year increased 4 per cent to \$11.34bn, from \$10.88bn in 1990. However, earnings declined to \$454m, or \$3.44 per share, from \$499m, or \$3.80, in the meylous year.

Motorola

\$126m in

By Louise Kehoe

In San Francisco

improves to

last quarter

MOTOROLA, the leading US

manufacturer, reported improved fourth-quarter results, buoyed by the perfor-mances of its semiconductor,

cellular telephone and paging businesses.

Fourth-quarter income rose to \$126m, or 96 cents a share, from \$109m, or 82 cents, in the

fourth quarter of 1990. Sales for the quarter rose 4 per cent to \$3.04bn from \$2.98bn in the

same period last year. Fourth-quarter results

the previous year. Motorola said sales of its communications products rose 2 per cent in 1991, against the previous year, while semiconductor products sales rose 7

However, the company's nowever, the company's computer sales fell 2 per cent and the information products group recorded increased operating losses for the year. The company also recorded losses due to investments in a proposed global communications system called Iridium.

Military and government

Military and government sales fell 8 per cent, in spite of a significant contract for secure telecommunications equipment from Saudi Arabia. The automotive and industrial electronics group reported an 8 per cent increase in sales.

#### Intl Paper registers 33%

INTERNATIONAL Paper, the INTERNATIONAL raper, the large US forest products group, announced a 33 per cent drop in fourth-quarter earnings, once special charges are stripped out of the figures.

The commany blamed this mainly on the sluggishness of the US economy and said it expected difficult business conditions to continue early

this year. Fourth-quarter earnings

for a business improvement Without the special charges 1991 fourth-quarter earnings totalled \$107m, compared with

added that sales and earnings in the fourth quarter "about equalled second and thirdquarter levels as the domestic economy remained stagnant". Full-year earnings totalled \$184m, or \$1.66 a share, after \$231m of special charges, compared with \$569m, or \$5.21 a share in 1990 after \$137m of

Mr Georges said the company's packaging and distribution business reported stable quarter-to-quarter earnings.

Timber and wood products businesses had higher care. es had higher earn-

# Airlines rally amid AMR optimism

By Nikkl Tait in New York

AMERICAN Airlines, one of the largest US carriers, yesterday sparked a raily in US airline stocks when its parent company, AMR, accompanied news of a \$239.9m net loss in 1991 with suggestions that ticket prices were finally

The carrier which traditionally kicks off the US industry's reporting season, had already warned that it would probably make losses in both the fourth quarter and 1991 overall, and analysts' expectations had been pitched accordingly.
In the event, AMR's after-tax

deficit for the final three months totalled \$124.9m, or \$1.83 a share.

This figure, however, included an aggregate \$59.6m charge for the writedown in

value of some Boeing 737 and 747SP jets, which are to be retired soon, plus some commuter aircraft.

At the operating level, AMR showed a much smaller fourth-quarter loss of \$41.4m, and a profit of just \$5m for the

Operating revenues were \$3.4bn in the final three months and \$12.9bn for the Comparisons with the previous year are heavily distorted by the impact of the

Gulf war and the associated

fuel prices hike.

This savaged airline profits in late-1990, and AMR itself made a fourth-quarter operating loss of \$245.1m. In 1989 and 1988, by contrast, the company turned in operating profits of \$70m and

final three-month period.

Mr Bob Crandall, AMR chairman and one of most gloomy voices in the industry over the past 18 months, made no apologies for the 1991

Mr Crandall described the figures as "terrible", adding that "the best thing you can say about last year is that it's

But he sounded a much more optimistic note about current trends. "In recent weeks, we have been encouraged by the downward trend in fuel prices and by some modest indications that some semblance of rationality may be returning to the airline pricing environment," he said.

Many of the US airline

industry's problems have stemmed from cut-throat \$180.4m respectively in this discounting in the domestic market, with finan cially-troubled carriers proving particularly aggressive.

During 1991, however, three sizeable carriers ceased , Horkin

Gold Pi

operations and, although some bankrupt or defaulting atriines remain in business, industry observers have noted some firming of domestic prices

recently.
On Wall Street, AMR's own shares railied by \$2% to \$74%. at midday.

at midday.

Its biggest competitors,
United Airlines and Delta,
gained \$4% and \$3% to \$157
and \$73% respectively. USAir,
which has been heavily
loss-making and is biased
towards the east coast, gained

# CrossLand ruling expected soon

By Alan Friedman in New York

US BANK regulators are York area during the late expected to decide shortly on the fate of CrossLand Savings, the loss-making New York savings and loan that has been for sale since signing a consent order with the Federal Deposit order with the Federal Deposit Insurance Corporation (FDIC) and Office of Thrift Supervision (OTS) last July. The leading bidders for the 49-branch CrossLand are Chase Manhattan and Republic National Bank of New York. Republic which is 30 per

Republic, which is 30 per cent owned by Mr Edmond Safra, the Swiss-based Lebanese banker, yesterday officially confirmed for the first time that it had submitted a bid for CrossLand's New York retail deposits to the

By Barbara Durr in Chicago

ALCOA, the world's largest producer of aluminium,

suffered a sharp fall in

fourth-quarter earnings as a result of heavy charges, amounting to \$217m, relating

to environmental clean-ups

fourth-quarter earnings were

\$25.6m, or 30 cents a share, compared with \$134.6m, or

After the charges, Alcoa posted a loss of \$191.4m, or

GENGOLD, the gold arm of the

Gencor group, saw attributable profits drop sharply in the

December quarter as a result of a weaker gold price and higher capital expenditure.

Profits after tax and capital

expenditure dropped by 56 per cent to R22.4m (US\$8m) from

R51m in the September quarter. The December figure is,

however, in line with profits

earned in the March and June

director, said the figures dis-guised positive trends which

augured well for the rest of the

profits was an RISm increa

The main cause of the lower

in capital expenditure to

R52.3m compared to the previ-

ous quarter. Future capital expenditure will be lower.

Mr Gary Maude, managing

charges,

\$2.26, in the final quarter of the charges, its 1991 net 1991, against a loss of \$140.4m, income was \$279.7m, or \$3.27 a

and restructuring costs.

\$1.58, for the 1990 quarter.

1980s, suffered losses of \$308m in the first nine months of 1991, and its asset bank was lowered from \$11.7bn to \$9.2bn. Some \$1.5bn of CrossLand's

assets are non-performing.
Whether Chase or Republic
are awarded CrossLand, the cost to the US government of salvaging the bank is expected to be at least \$1bn, and

possibly as high as \$20n.

Republic, meanwhile, yesterday said its net income for the fourth quarter of 1991 rose by 17.7 per cent to \$58.2m. For the whole of 1991, Republic's net profit was 13 per

cent higher at \$227.4m.

Republic's net interest income in 1991 totalled \$581.2m, compared with \$457.3m in 1990, while loan-loss CrossLand, an aggressive \$457.8m in 1990, while loan-loss real estate lender in the New provisions were a low \$62m

Charges push Alcoa into \$191m loss

or \$1.61, for the year-ago period.

would take the charges earlier

cleaning up several operating plants around the globe, though the costilest is for its

for virtually all aluminium

products last year, the

company reported that before

Profits were also hit by the

lower average gold price received by the 11 mines in the

group. At R32,578 per kg, it was

2.4 per cent lower than the R33,385 price of the previous

during the quarter rose by 1.6 per cent to 18,114kg, at an aver-

age grade of 5.1 grams/tonne.
Total working costs rose by 3
per cent to R499.5m, but Mr
Maude said this reflected the

build up for increased produc-tion, particularly at Winkel-

Both mines have started

increasing production and will

continue to do so throughout

the year. They have recruited extra labour, following a long period of retrenchments.

Of the five large mines in the group, St Helena and Buffels-fontein did well to produce

NOTICE OF REDEMPTION

**MORTGAGE INTERMEDIARY NOTE ISSUER (No. 1)** 

AMSTERDAM B.V.

£50,000,000 Mortgage Backed Floating Rate Notes 2010

NOTICE IS HEREBY GIVEN by Bank of America National Trust and Savings Association

as Principal Paying Agent to the holders of the above Notes that, pursuant to the Trust

Deed dated 5th February, 1985 under which the said Notes were constituted, outstanding

Notes in aggregate principal amount of £250,000 have been selected for redemption on

17th February, 1992 at their principal amount of £25,000 bearing the following serial

1126

1190

Notes bearing these serial numbers should be surrendered to (i) Bank of America National

Trust and Savings Association, 1 Alie Street, London E1 8DE or at the option of the holder

(ii) to the offices of Bank of America National Trust and Savings Association in Antwerp,

After 17th February, 1992 any unmatured Coupons relating to such Notes (whether or not

attached thereto) shall become void and no payment shall be made in respect of and no

taion shall be exchanged for such Coupons. Notes outstanding after 17th February, 1992

1451

haak and Unisel

Total gold produced

smelting and fabricating in Massena, New York.

Gengold profits decline sharply

The company had warned it

They are primarily related to

last year. Non-performing assets rose only slightly year-on-year, from \$164.4m to

\$173.98m.

The bank has an unusually low lending profile, and its deposits are divided among private banking (38 per cent), retail (37.5 per cent) and institutional funds (24.5 per

cent). Republic's share price was unchanged yesterday at \$47% at midday trading.

Bank of New York yesterday reported \$56m fourth-quarter

net income, a slight improvement over the \$65m learned a year ago. But a heavy loan loss provision taken in the first quarter of last year resulted in a 60.4 per cent slump in full-year 1991 net income, to \$122m, down from

share, compared with \$570.2m,

compared with \$295.2m, or

For the fourth quarter,

Alcoa's revenues were \$2.4bn, down from \$2.7bn in the

year-ago period, while revenues for all of 1991 slipped

to \$10bn, down from \$10.9bn in

Shipments increased last

year to 2.8m metric tons from 2.7m in 1990.

more gold and decrease unit costs; Kinross and Beatrix had

steady quarters while gold out-

Of the marginal mines, Gro-

otvlei, a mine threatened with

closure a year ago, continues to improve its performance, while Mr Maude said West

Rand Cons was battling to stay

recently introduced hedging operations, Mr Maude said

they were increasingly using

the options rather than the

futures market. He said they felt this was a

much more responsible method of hedging because it did not

involve putting more physical product on to the market and

depressing the bullion spot

nce reduced the prospect of

reased at Winkelbaak.

\$3,40, in 1990.

# drop in earnings

By Martin Dickson

Once the charges were taken, the 1991 net income shrank to \$62.7m, or 71 cents,

totalled \$66m, or 59 cents a share, including a \$4m after-tax special charge for an accounting change and a \$87m one for severance costs. In the fourth quarter of 1990 earn-ings totalled \$23m, or 20 cents a share, after a \$137m charge

\$160m the previous year.

Mr John Georges, chairman

special charges. Sales dipped 2 per cent to \$12.7bm.

ings while domestic linerboard benefited from increased

# MIM slides 76% on lower metal prices

By Kevin Brown in Sydney

MIM HOLDINGS, the Australian mining group, yesterday blamed lower base metal prices and coal production problems for a 76 per cent fall in net operating profits to A\$16m (US\$12.3m) for the six months to December 15. The group made a profit of A\$61.7m after an abnormal profit of A\$45.7m from the sale of its interest in Teck Corporation as part of a deal in which it doubled its shareholding in Cominco, the zinc, lead and copper producer,

to 22.5 per cent.

However, after net exchange losses of A\$2.1m and minority interests of A\$12.1m, net profit attributable to shareholders was A\$47.5m. an increase of 28

period of the previous year.

MIM said sales fell from A\$935m to A\$840m, mainly because of lower metal prices - copper prices fell by 15 per cent, lead by 32 per cent and zinc by 27 per cent.

Copper production at the Mount Isa mine in Queensland was adversely affected by contamination difficulties and abnormal winds on smelter operations. The Oaky Creek coking coal operation suffered a loss of

A\$24m for the six months, mainly because of delays in the changeover from the first panel in the longwall unit. Production from the second panel began in late December. MIM said that base metal prices remained weak because

the recession.
It added that signs of recovery in the US appeared to have been premature. The directors declared an

unfranked interim dividend of 2 cents a share, a reduction of 1 cent on last year's interim dividend.

Highlands Gold, a 65 per cent subsidiary of MIM, reported net profits of K26.9m (\$28.3m) for the six months, compared with K10.5m the

previous year. Highlands said the result

was largely due to its share of production from the Porgera gold mine, in the highlands of Highlands has a 30 per cent interest in the project,

of a lack of demand caused by co-owned by Placer Pacific (30 per cent), Renison Goldfields Consolidated (30 per cent) and the PNG government (10 per

Highlands said that its share of Porgera sales for the six months amounted to 197,800 ounces of gold and 68,400 ounces of silver, which provided revenue of K40.7m ofore tax.

The company said Porgera had "passed an important milestone" in the second quarter, when a number of important construction projects were completed, increasing the gold recovery

The directors declared an interim dividend of 2 toea per

# Telecom groups to invest \$150m in Ukraine deal

By Ronald van de Krol in Amsterdam

AMERICAN Telephone & Telegraph (AT&T)and its two partners in a new Ukraine joint venture set up earlier this week plan to invest a total of \$150m over the next few years in establishing and operating a telecommuni-cations network in the former Soviet republic.

AT&T and PTT Telecom, the Dutch telecommunications authority, are to lend the majority partner in the venture, the Ukraine state committee of communications, the capital it

part.
The two western companies will then be repaid out of the revenue generated by the telecommunications system. which encompasses both a new international network and a long-distance domestic this, others are not," he said.

network which will link 13 of Ukraine's 25 telephone networks.
The Ukraine state committee

will own 51 per cent of the joint venture, AT&T will hold 39 per cent and PTT Telecom 10 per cent. The venture is the first time that either AT&T or PTT

Telecom has owned and operated part of a telephone network outside their own Mr Sam Willcoxon, AT&T's international group executive, said each of the former republics of the Soviet Union

was now confronting decisions on how to set up modern communications "Some appear to be nents like interested in arrange

Until now, Ukraine's international telephone traffic and that of the other former republic have largely been routed through Moscow.

The Ukraine agreement, which was signed on Tuesday

years, with an option on a five-year renewal. AT&T's portion of the investment will take the form of 13 digital switching stations which will be used to connect half of Ukraine's telephone

in Kiev, will continue for 15

districts. president of PTT Telecom, said that his company expected to break even on its investment after four to five years and then reap a profit over the rest of the life of the

Besides helping to create

new international and long-distance networks, AT&T and PTT Telecom will also assist Ukraine in drawing up a short-term proposal for nearly doubling the number of telephone lines in the country from 7m to 13m.

SILFONT

Gold Mining

Service Annual Articles

It is estimated that the additional 6m lines will require an investment of roughly Fi 2bn (\$1 ibn).

By the year 2000, a further expansion to 22m lines is

envisaged.
Although AT&T and PTT role in any future projects, their participation in Ukraine's first steps towards creating a modern telecommunications infrastructure is expected to provide them with an advantage over other western competitors.

#### **Boise Cascade \$15.8m in** red on poor pulp prices

BOISE CASCADE, the US forest products group, yester-day reported a fourth-quarter loss of \$15.8m, compared with net income of \$4.8m in the same period of 1990. The company was hit by

depressed prices in its key pulp and paper businesses. Boise's net loss worked through at 51 cents a share, against profits of 4 cents in the fourth quarter of 1990.

Results for the latest period included a gain of 61 cents a share from the sale of its interest in a European corrugated container joint venture. Sales totalled \$963m, down

from \$1bn a year ago.
The company said the fourth quarter was modestly stronger than the third, and cited four main factors for the weak performance.
One was adverse market

conditions, which had driven down prices for all of the company's grades of pulp and paper over the year.
Another was the high costs of wood in the Pacific

north-west, where environmen tal pressures to save a species of owl have led to constraints on timber supplies. Costs had increased for wood chips to the company's pulp and paper mills and for delivered logs to its wood products

Other factors were high interest and depreciation charges in connection with a \$2.2bn investment programme and squeezed profit margins in office products distribution. For the full year, the group reported a net loss of \$79.5m,

or \$2.46 a share, compared with a profit of \$75.3m, or \$1.62, in 1990.

#### Strong drug sales help AHP to advance 14%

By Karen Zagor in New York

AMERICAN Home Products, the US pharmaceutical company, yesterday turned in a 14 per cent gain in fourth-quarter net earnings on the back of strong sales of several drugs for women.

For the three months to end-December, the company earned \$372.6m., or \$1.18 a share, against \$328.2m., or \$1.04, a year earlier. Last year's earnings included a large one-time gain which lifted net income by about \$35m in the quarter. Sales in the 1991 fourth-quarter rose 13 per cent to \$1.82bn

from \$1.61bn For the full year, net income grew 14 per cent to \$1.38hm, or \$4.36 a share, from \$1.23hm, or \$3.92, in 1990. Sales advanced 11 per cent to \$7.08bn from

Non-recurring items in 1990 added about \$105m to Ameri-

can Home Products net income Although the results were in-line with analysts' expectations, its shares eased \$1% to \$79% at midday yesterday. The company surprised Wall Street in the third quarter with

exceptionally strong earnings but it continues to lag behind the leading pharmaceutical companies, such as Merck.
Its pre-tax income increased 12 per cent in the fourth quarter. For the full year, earnings before taxes fell 4 per cent, reflecting several one-time

Excluding extraordinary items, pre-tax income rose per cent in 1991 Sales are increasingly driven by its pharmaceuticals busi-

ness, and in 1991 pharmacenti-cals sales rose 16 per cent to

# Cragnotti group acquires loss-making food concern

By Haig Simonian in Milan

CRAGNOTTI & Partners Capital Investment (C&P), the investment group formed by Mr Sergio Cragnotti, which includes several leading international banks among its shareholders, yesterday sealed its purchase of Fedital, the loss-making Italian foods

The acquisition, which followed a three-round auction last month, marks a double Firstly, it represents C&P's

first European acquisition as part of its plans to assemble a portfolio of businesses in the food industry. The food sector is one of the three areas, alongside packaging and detergents, identified by Mr Cragnotti as ripe for

Since its formation last year, C&P has spent heavily to buy companies in both other areas. However, purchases in the foods sector have so far been limited to CICA, a large, privately-owned Brazilian tinned foods group. The sale of Fedital also

marks the first large asset disposal by the special commissioners and court supervising the affairs of consorzi, the bankrupt Italian farm services group.
Fedital, which has a sizeable market share for long-life milk in southern Italy, specialises in dairy and cheese products.

In print of its ortholicated

In spite of its established Polenghi Lombardo trademark, other bidders for the company are believed to have been dissuaded by the considerable uncertainty surrounding the group's accounts.
Under the sale agreement to

C&P, the L55bn (\$46.3m) offer price can be cut by L10bn subject to the findings of an audit now under way. Mr Cragnotti, who used to run the Enimont chemicals joint venture, said C&P would recapitalise the group and seek agreement with unions on

substantial job cuts. C&P remained interested in other purchases in the foods sector, notably in the event of disposals by the state-owned IRI holding company.

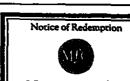
#### Turnround at marginal mine lifts Anglovaal

A TURNROUND in the performance of the marginal Loraine mine allowed the four gold mines in the Anglovaal group to increase net profits by 14 per cent to R41.6m (US\$14.9m) in the December quarter, writes Philip Gawith. Last year, management announced that a return to profitability – following an R18.9m loss in the year to September – meant Loraine should be able to stay open for

at least a further year.

The mine made a R2.8m profit in the December quarter, against a R2.6m loss the previous quarter, after a rationalisation of the mine's operations. However, the mine has to secure satisfactory hedging prices for at least half its production. The gold price has declined to R31,000/kg, com-pared with R32,700/kg when

the announcement was made. Hartebeestfontein, which produces more than 80 per cent of the group's profits from gold, had a steady quarter, with profit after taxation of R34.4m, virtually unchanged from the previous quarter.



Corporation No.4 PLC (Incorporated in England and Wates with limited liability unde registered number 2133465) £100,000,000 Class A1

Mortgage Backed Floating Rate Notes Dive 2035 NOTICE IS HEREBY GIVEN

to the holders of the Class A1 Notes, that the Issuer has nined in accordance with the Redemption provisions set out in the Terms and Conditions, the Class Al Notes in the amount of £10,000,000 will be redeemed on the next Interest Payment Date, 31st January, 1992 (the "Redemp-tion Date"). The Class Al Notes will be redeemed on a pro rata basis and the Principa Payment per Class Al Note will be £10,000. The Principal Payment on each Class Al Note will be made in accordance with the operating

procedures of Euroclear and

Mortgage Securities (No.3) PLC Mortgage Funding £63,000,000 Class A I

£39,000,000 Class A2 £15,000,000 Class A3 £8,000,000 Class B Mortgage backed notes due 2035 Far the interest period 14 January 1992 to 30 April 1992

the Class 'A' notes will bear interest as follows Class A1 at 111/2 % per annum Class A2 at 11.3 % per annum Class A3 at 11.4 % per annum Interest payable per \$100,000 . note for the Class 'A' notes on the 30 April 1992 will amount

Class A1 at \$3,252.39 Class A2 or \$3,303.55 Class A3 of 53,332 79 The Class 'B' notes will bear interest at 1 P/A per annum. Interest payable on 30 April 1992 will amount to \$3,435.11 per £100,000 note.

Agent: Morgan Guaranty Trust Company

1059

will aggregate to £8,100,000.



**B** Bank of America

Zurich or Banque International À Luxembourg as specified thereon.

Berik of America NT&SA

Dated: 16th January, 1992.

1493

1675

IT JANUARTE

timin

Sally a position of the control of t

prices

ent) Resident (I Re PNG Forms)

chiands said to regers sain to so of gold to dead revenue of tax company at the passed of the solution of the sain that the case of the sain the sa

dine &

interesser istance network TT Telegraph

arethe sea term properly ting the en-

im to De s estimate

ran Ga layû

ic tment: e ven At

ston to E

ged .cugh Ailli

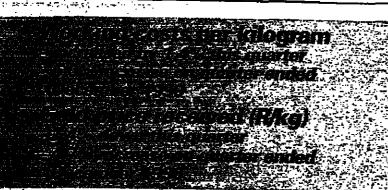
ough and in ore offer a rectar is a clear in the factor in

me Product

ide sent

A STANDARD OF THE STANDARD OF

3 743 2 160



Beatrix mine

Poor development values

WELTEVREDEN

Development on the list level is communing.
 Capital expenditure to date amounts to R79,9 million

Consolidated Mines Limited

**WEST RAND** 

Company Registration No. 01/01978/06

Issued capital - 4 250 000 ordinary shares of R1 sect.

Marginal operation

Mines Limited

Company Registration No. 70/14457/06 Development continues leased capital - 5 000 000 shares of 1 cent each.

PROJECT PROGRESS - Sinking of the twin o

(A division of Buffelsfontein Gold Mining Company Limited)



Dividends

- Buffelsfontein 90 cents per share

- Grootviei 25 cents per stock unit

- St Helena 150 cents per share

- West Rand Cons. 20 cents per share

**BRACKEN** 

Mines Limited

Company Registration No. 59/01126/06 Closure progressing well

**DEVELOPMENT - Kimberley Reef** 

- Stilfontein passes its final dividend.

**GOLD MINING COMPANIES' REPORTS FOR THE QUARTER ENDED 31 DECEMBER 1991** All companies mentioned are incorporated in the Republic of South Africa

15 661

21 328 9 182

18 632 7 101

30 673

39 960 16 293

The <b>GROOT</b>	VLEI		
Proprietary Mi	nes Lir	nited	
Company Registration No. 01/02089/0			
State assistance for pu		ter	
Issued capital - 11 439 816 stock units	Ownter	Quarter	Year
OPEGING RESULTS	ended 31,12,1997 30,347	ended 30.0.1991	ended 31.12.1991
Ore mitted - underground(t)	120 000	29 297 118 000	115 833 463 000 3 000
Yield - underground (g/t)	120 000 S,1	118,000 5,2	468 000 5,1 1,0
Gold produced(g/t) Working revenue(R/eg)	6,1 616 32,599	5,2 610 .33 610	5,1 2 375
Working costs(IVig)	29 000 148,87	28 043 144,97 5 567	32 253 28 771 148,84
Working Income	3 599 32 504 358	5 567 33 489 362	3 482 32 112 385
FINANCIAL RESULTS (POOC)			
Working revenue	20 081 17 864	- 20 502 17 106	76 501 68 332
Working income Sundry income - net Tribute payments - net	2 217 2 359 180	3 396 1 758 284	8 289 6 964
Income before taxed on and State's share of Iscome Taxation and State's share of income	4 396	4 860	15 233
- Income after taxation and State's share of income	(784) 5 180	1 848 3 012	3 007 12 226
Capital expanditure	5 117 2 880	413	5 615 6 292
ing the second of the second o	Omnter	Charter	Year
	ended	endad 1.9.1991 Kim-	anded 31.12.1991 IZm-
DEVELOPMENT Red	berley Stack Real Real	berley Bla Reef Re	ct barley
Advanced(m) 256 Advanced on reef(m) 191 - Sempled(m) 191	1 487 29T 745 182	1 762 1 2 698 7	2 2832
Charmel width(cm) 109 Average value – gold(gd) 22.2	738 181 13 176 33.1 16.2		25 2776 15 12 19 34.4
(em.g/t) 2 414	418 1874	367 1 5	
— (cm.gd) 2 414  Residence — Estimated capital sepanditum for the	418 1874 next six months	367 1 50 - R3,0 million.	428
— (em.git) 2 414  MENARIOS  Estimanic capital appenditues for the  Final disident No. 108 of 25 cents pe  in a letter dated 17 December 1991, confirment that Shah sealings and	418 1 874  next six months r stock unk was d the Minister of 22 9	357 1 St. R3,0 million. lectaced. Athers would be	99 426
(em.git) 2 414  RESEARCE  - Estimated capital soperations for the - Finel desidend No. 198 of 25 cents pe - in a letter dated .77 December 1997, confirmed that State seatmence not the 1992/93 facult year to derrey th water. Capital expenditure this quar	next six months r stock unit was of the Minister of it monesting from so operating con- ter includes an a	- R3.0 million. leclared. Ameral and Er Million would b a of pumping mount of R4.1	428  Margy Affairs  Granted in  Extracous  Smillion for
(em.git) 2 414  RESEARCE  - Estimated capital soperations for the - Finel desidend No. 198 of 25 cents pe - in a letter dated .77 December 1997, confirmed that State seatmence not the 1992/93 facult year to derrey th water. Capital expenditure this quar	next six months r stock unit was of the Minister of it monesting from so operating con- ter includes an a	- R3.0 million. leclared. Ameral and Er Million would b a of pumping mount of R4.1	428  Margy Affairs  Granted in  Extracous  Smillion for
— (em.git) 2 414  MENARIOS  Estimanic capital appenditues for the  Final disident No. 108 of 25 cents pe  in a letter dated 17 December 1991, confirment that Shah sealings and	next six months r stock unit was of the Minister of it monesting from so operating con- ter includes an a	- R3.0 million. leclared. Ameral and Er Million would b a of pumping mount of R4.1	428  Margy Affairs  Granted in  Extransous  Smillion for
— (em.gti 2 414  RESEARIOS  Estimated capital appenditure for the Final disidend No. 198 of 25 cents pe in a letter dated 17 December 1991, confirmed that State sealistance not the 199293 fiscal year to defray it water. Capital expenditure this quar the initial installation of pumping fac Hedging profits of R100 000 from included in working revenue. Contra everage price of R1113 per cz.	418 1 674 most six months in stock unit was of the Minister of it moseding R3.9 m a operating cost ministers includes an a sities. the forward sale sots for 7 491 oz o	- R3.0 million. leclared. Ameral and Er Million would b a of pumping mount of R4.1	428  Margy Affairs  Granted in  Extransous  Smillion for
— (em.gtt 2 414  MEMARICS  Estimated capital expenditure for the Final deddend No. 198 of 25 seems pa in a letter dated 77 Secardar 1997, confirmed that State sesistence not the 1992/85 facal year to defrey th water. Capital expenditure this quar the initial installation of pamping fac Hedging profits of R100 000 from included in working revenue. Contra everage price of R1113 per 62.	418 1 674 next six menths of stock unit was of the Minister of its moneounting cost are includes an alities. The forward sale six for 7 481 oz des	- R3.0 million. leclared. Ameral and Er litton would be a of pumping amount of R4, a of 2 188 oz ere still outsts	egy Affeirs e granzed in extransous million for of gold are inding et en
— (em.ght 2 414  REMARIOS  Estimated capital sependiture for the Final disidend No. 108 of 25 cents pa in a letter dated if December 1987, confirmed that State essistence and the 1982/83 facal year to defrey the veter. Capital copenditure this guar the initial installation of pumping fac Hedging profits of P100 000 from included in working revenue. Centra sverage price of R1113 per cc.  STILEONIE  Gold Mining C	onext six manths of stock unit was of the Minister of its money of the Minister of its money of the Minister o	- R3.0 million. leclared. Ameral and Er litton would be a of pumping amount of R4, a of 2 188 oz ere still outsts	egy Affeirs e granzed in extransous million for of gold are inding et en
— (em.gtt 2 414  REMARIOS  Estimated capital sependiture for the Final dieldend No. 108 of 25 seets pa in a letter dated if 10 seetspan 1891, confirmed that State sealinese not the 1992/93 flacal year to defrey th writer. Capital copenditure this guar the initial installation of pumping fac Hedging profits of P100 000 from included in working revenue. Centra sverage price of R1113 per cc.  STILEONIE  GOIC MINING C	onext six manths of stock unit was of the Minister of its money of the Minister of its money of the Minister o	- R3.0 million. leclared. Ameral and Er litton would be a of pumping amount of R4, a of 2 188 oz ere still outsts	egy Affeirs e granzed in extransous million for of gold are inding et en
— (em.ght 2 414  REMARIOS  Estimated capital sependiture for the Final disidend No. 108 of 25 cents pa in a letter dated if December 1987, confirmed that State essistence and the 1982/83 facal year to defrey the veter. Capital copenditure this guar the initial installation of pumping fac Hedging profits of P100 000 from included in working revenue. Centra sverage price of R1113 per cc.  STILEONIE  Gold Mining C	onext six months of stock unit was of the Minister of it was succeeding costs for 7 481 oz of the forward sale was for 7 481 oz of the forward sale was for 7 481 oz of the forward sale was for 7 481 oz of the forward sale was for 7 481 oz of the forward sale was for 7 481 oz of the forward sale was for 7 481 oz of the forward sale was for 7 481 oz of the forward sale was for 7 481 oz of the forward sale was for 7 481 oz of the forward sale was for 7 481 oz of the forward sale was for 7 481 oz of the forward sale was for 7 481 oz of the forward sale was for 7 481 oz of the forward sale was forwa	- R3.0 million. leclared. Ameral and Er litton would be a of pumping amount of R4, a of 2 188 oz ere still outsts	egy Affeirs e granzed in extransous million for of gold are inding et en
### ARICS - (em.ght 2 414  #### ARICS - (em.ght 2 414  ### ARICS - Estimated capital expenditure for the Final deddend No. 198 of 25 cents pa in a letter dated 77 December 1997, confirmed that State sesistence and the 1992/85 fiscal year to defrey the water. Capital expenditure this quarthe initial installation of pamping for Hedging profits of R100 000 from included in working revenue. Contraverage price of R1113 per 62.  **STILFONTE!**  GOIC MINING C.  Company Registration No. 05/33412/08  Closure according to pile tessed capital - 13 052 920 shares of 50	onext six menths of stock unit was a the Minister of it worked and a succeeding cost affices. The forward sales for 7 481 oz of the Minister of its operating cost affices.	- R3.0 million. lectaced. Rineral and Er Biston would be of pumping amount of R4, a of 2 188 or an actific outsite.  Quarter ended	and AZE  AZE  AZE  AZE  AZE  AZE  AZE  AZE
	onext six menths of stock unit was of the Minister of it works and someoding 60s and sittles. The forward sales for 7481 or 100 pc. 10	- R3.0 million. lectaced. Rineral and Er Biston would be of pumping amount of R4, as of 2 188 or still outsite are still outsite.  Quarter ended 30.8.7997 31798	Place and of the state of the s
REMARIOS  Estimated capital seperalitura for the Final dieldend No. 108 of 25 cents pa in a letter dated in 108 of 25 cents pa in a letter dated in 108 of 25 cents pa in a letter dated in 108 of 25 cents pa in a letter dated in 108 of 25 cents pa in a letter dated in 108 of 25 cents pa in a letter dated in 108 of 25 cents pa in the 1852/83 facal year to defrey th writer. Capital consendance this quar the initial installation of pamping fac Hedging profits of first 000 000 from included in working revenue. Contra sverage price of R1113 per cc.  STILFONITE GOIC MINITES  Company Registration No. 05/33412/06  Closure according to pi lesued capital - 13 062 920 shares of 50  OPERATING RESULTS idjust Ore milled - underground (10) - notified durings - 10	onext six menths of stock unit was of the Minister of it was a operating cost menths for includes an a sides. The forward sale six for 7481 oz a sides. The forward sale six for 7481 oz a side six for 7481 oz a	AST 1 ST 1	and the second s
REMARIOS  Estimated capital expenditure for the Final dieldend No. 198 of 25 cents pain in a letter dated if 17 becarber 1987, confirmed that State essistence and the 1982/93 facal year to defrey the vester. Capital copenditure this quarthe initial installation of pumping fac Hedging profits of R100 000 from included in working revenue. Centra everage price of R1113 per cc.  STILEONIE  GOIC MINING C.  Company Registration No. 05/3341206  Ciosure according to pill based capital - 13 062 520 shares of 50 OPERATING REGISTRATION (No. 05/3341206 OPERATING REGISTR	onext six menths of stock unit was of the Minister of it moresting cost as operating cost as operating cost as operating cost of the minister of it of the	AST 1 ST 1	ergy Affeirs e granted in extransous s million for of gold are unding et en  1.12.1991 99 488 489 000 1.519 000 1.518 000 4.3 0.8
	onext six menths of stock unit was of the Minister of it moresting R3.9 m operating cost per includes an a dides. the torward sale tors for 7 481 oz of  OFFICE STATE  Oscilla sech.  Duscon State 14 204 64 200 652 200 528 200	ASO million.  Riso million.  Recladed.  Recret and Erison would be of pumping mount of R4, and a construction of R4, and a	Paragraph of the control of the cont
### ARCO   Company   2 414  #### ARCO   Estimated capital expenditure for the Final deddend No. 198 of 25 cents pa in a letter dated if 10 cents result in a letter dated if 10 cents result in a letter dated if 10 cents result in the 1992/85 facal year to defrey the veter. Capital copenditure the quarthe initial installation of pamping fac Hedging profits of R100 000 from included in working revenue. Contraverage price of R1113 per cc.  **STILFONTE! GOILD TE	418 1674  In next six manths of stock unit was of the Minister of it was decreased by the Minister of it was decreased by the Minister of it was decreased by the second of the Minister of the was decreased by the second of the Minister of	- R3.0 million. Inclinated. Rineral and Erison would be of pumping mount of R4, and of 2 188 or and of 2 188 o	year ended 57.12.1991 99 488 489 300 1.88 600 4.3 3.489 32 279 63.354 489 3.3 3.4 489 3.4 489 3.3 3.4
### ARICS  Estimated capital expenditure for the Final divident No. 198 of 25 cents particularly for the Final divident No. 198 of 25 cents particularly for the Final divident No. 198 of 25 cents particularly for the state of 25 cents particularly for the state of 25 cents particularly for the state of 25 cents for the 1982/93 facal year to defrey the water. Capital expenditure this quarthe inhigh installation of pamping facilities for the state of 1992/93 facal year to defrey the inhigh installation of pamping facilities of 1992/93 facal year to defrey the inhigh profits of R1113 per cc.  **STILFONTE**  GOIC Mining C.  **Company Registration No. 05/33412/08 Closure according to pill installation of 1992/93 facal years of 50 cents of 1992/93 facal years o	418 1674  In next six months of stock unit was of the Ministar of it successing costs of stock unit was of the Ministar of it successing costs of operating costs of	ASO million.  Riso million.  Recladed.  Reneral and Erison would be of pumping mount of R4, and a construction of R4, and	Heart and the second se
### ARCA RESULTS (Frood)	onext six months of stock unit was of the Minister of it was a successing cost a sittles. The forward sale sixs for 7 481 or 10 cents such a six six for 7 481 or 10 cents such a six six for 7 481 or 10 cents such a six six for 7 481 or 10 cents such a six such a s	As a million.  Ray o million.  Recladed.  Reneral and Eriliston would be of pumping mount of R4, and a construction of R4,	The results of the re
REMARIOS  Estimated capital expenditure for the Final deddend No. 198 of 25 cents particularly for the Final deddend No. 198 of 25 cents particularly formed that State estatement 1981, confirmed that State estatement on the 1982/85 facal year to defrey the 1982/85 facal year to defrey the vetter. Capital expenditure this quarthe initial installation of pamping face Hedging profits of R100 000 from included in working revenue. Contraverage price of R1113 per cc.  STILFONTEL GOILD ON From included in working revenue. Contraverage price of R1113 per cc.  Company Registration No. 05/33412/66  Ciosure according to pile to the contraverage price of S0 states of 50 centres	418 1674  In next six manths of stock unit was of the Minister of it was decreased by the Minister of the Minister	387 1 5  - R3.0 million. lectaced. Rinered and Er issue vould be of pumping mount of R4, as of 2 188 oz ere still outstrange of 2 188 oz ere still outstrange of 2 188 oz ere still outstrange of 2 189 oz ere still outstrange of 2 18	### AZE  ###
### ARCS   Company   Compa	418 1874  In next six months or stock unit was of the Minister of it was of the Minister of it was of the Minister of it was so operating cost a sittles. The forward sale sits for 7 481 or 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	367 1 5  -R3.0 million. lectaced. Rineral and Erison would be of pumping mount of R4, as of 2 188 oz are still outstranged and 2.185 oz are still outstranged 32.1791 11000 483 000 483 000 483 000 483 258 257,78 252 257,78 252 253 350 28 204 27 282	### AZE  ###

Working loss (R/t milled) Working loss (R/tg)	61,35 57,76	63,35	basued capital - 4 250 000 ordinary sha - 25 000 deferred sha	es of R1 each. es of R2 each.		
Working loss (R/tg) Gold price received (R/tg)	5 820 323 32 360 33 223	3 814 32 214		Quarter	Quarter	Year
[,(\$\foz)	360 380	364	OPERATING RESULTS	<i>ended</i> 31.12.1991	ended 30.9.1991	ended 31,12,1991
FRANCIAL RESULTS (R'000)	,		Mined(m²)	33 318	27 777	114 829
Modern reserve	27 220 28 204	112 626	Ore milled – underground(t)	105 000	86 000	366 000
Working costs Petranchment costs	25 526 27 282 8 560 1 196	113 486 12 445	- surface dumps(t)	112 000 217 900	719 000 205 000	483 000 849 000
Working loss	4.868 274	13 310	Yield - underground	4.4 0.5	4,5 0,5	5,0 0,5
Additional development V.C.R.	319 1 135	1 498 · 4 359	- combined(at)	24	2,2	2,4 2 066
Sundry Income - net	154 843	2 116	Gold produced(fig) Working revenue(RAg)	520	445 33 143	
Incomedians before specion and			Working costs(P/kg)	32 637 33 704	39 226	32 734 34 242
Statu's share of Income	(4 701) 218	(12 565)	Working loss (R/kg)	90,76 1 067	85,34 6 083	83,33 1 508
			Gold price received _,(R/kg)	32 592	33 290	32 702
Internefficant after taxation and State's share of income	(4 701) 218	( <u>12 565</u> )	(\$62)	361	356	362
* Capital recoupment	2 359 3 419	8 694	FINANCIAL RESULTS (R'000)			
に <b>は</b> 変化を含まった。	•		Working revenue	16 971	14 782	67 628
- Annual State of the Control of the	Overter	- Yhar	Working costs	17 520 8	17 470 25	70 619 126
	anded 30.9.7997	ended 31,12,1991	Working loss	<u></u>	2713	3 117
in the second	Manif V	desi ·	Sundry income - net	1 158 60	1 195	5 008 206
DEVELOPMENT		bef KCR	income/(loss) before (axation		(1518)	1885
Advanced	30 14 12 11	89 618 37 218	Theation		(73)	
Sampled(m)	15 10	40 235	income/loss) after texation	553	(1 445)	T 681
Channel width(om) Average value	10 16		Capital recoupment	1 375 1 133	10	7 430 3 116
- gold:::(g/4	249,0 5,3 22 2 490 - 80 23	3.5 12.3		1 133	_	3119
- utanium(tot)	2.000 0.113 2.1	285 538 188 0,095	DEVELOPMENT			
(em.kah)	20,80 1,70 21	,86 4,14	Advanced(m) Advanced on reel(m)	509 380	908 596	3 364 2 511
SERVICE .			Sempled(m)	285	450	2 085
- Estimated capital expenditure for the next six	months - Nil.		Channel width(cm)	45	50	53
Underground mining operations will cause du	uting the following qui	arter.	Average value – goldfg/t) –fem.g/t)	12,4 558	16,7 834	20,9 1 106
- No final dividend has been declared			REMARKS	_		
Hedging profits of R137 000 from the forward s in working revenue, Contracts for 10 288 oz a	aus atgromatancino s aus atgromatancino s	are included	- Estimated capital expenditure for the	next six months	i – NR.	
price of RT 113 per oz.	• .		<ul> <li>Working costs amounting to R4 million and appropriate rehabilitation of essential equipment.</li> </ul>	n incurred durin	aleq to a ceser	ve created in
	• •		prior years for that purpose.			
A CONTRACTOR OF THE PARTY OF TH			<ul> <li>Final dividend No.117 of 20 conta per deterred share have been declared.</li> </ul>	ordinary share	and No.108	of R11,33 per
DUTTELLOTONIT	TINI		- Hedging profits of RES 000 from the fo	rward sale of 1	812 oz of gold	are included
BUFFELSFONT	Elia		- Hedging profits of R83 000 from the to in working revenue. Contracts for 8 price of R1 113 per d2.	20202 are still (	outstanding a	t an average
Gold Mining Com	napy Lin	nited l	price of RT 713 per 02			
* Cold Minning Corr	рану ш	mea				
Company Registration No. 05/33934/06						
	·· · · · · · · · · · · · · · · · · · ·					
Cost per kilogram contained			UNISEL			
I learned challest 11 000 000 ordinary shares of R1	l each		Cold Minor Lin	oitod		
issued cipies - 11 000 000 ordinary shares of R1 - 15 283 000 cumulative preference	STREETS OF HI BACKS.		Gold Mines Līr	nited		
≥ 15 289 000 cumulative preference Oc	n sheres of 111 sects. Barter Quarter	6 months ended		nited_		
- 15 293 000 cumulative preference Ox OPERATING PRESULTS	m sheres of H1 each. uarter Guarter ended anded - 2.1991 30.9.1991	ended 31.12.1991	Company Registration No. 72/10604/05			
15 229 000 cumulative profesers: CFERATING FEBRUATS Cold 31.12 History 170	p sheres of 111 each. Harter Quarter Hided anded 2,1991 30,9,1991 30,005 112,991 76,000 489,000	ended 31.12.1991 212.996 947.000				
15 229 000 cumulative preference  Circulatives research  Circulatives research  State  John Con miled - innespressed (0' 47')  - con miled - innespressed (0' 5')	20 sheres of 111 bach.  Burter Querter  Suded anded -  1,1991 30.9.1991  30.005 112.991  76.000 489.000  77.000 48.000	ended 31.12.1991 212.996 947.000 106.000	Company Registration No. 72/10804/06 Gold production impro-	/ing		
15 229 000 cumulative preference CIPERATINE PREFILTS Geld 31.12 July 10 10 10 10 10 10 10 10 10 10 10 10 10	20 sheres of 111 sects.  serior Counter  serior Counter  2 1991 30.9.1991  30.005 112 991  30.005 129 900  57 000 489 000  55 000 518 000  58 000 518 000	ended 31.12.1991 212.996 947.000 106.000 1 053.000 6,3	Company Registration No. 72/10604/05	/ing		
15 289 000 cumulative preference (20 Cc	20 sheres of 111 sects.  serior Counter  serior Counter  2 1991 30.9.1991  30.005 112 991  30.005 129 900  57 000 489 000  55 000 518 000  58 000 518 000	ended 31.12.1991 212.996 947.000 106.000 1 063.000 6,3 1,2	Company Registration No. 72/10804/06 Gold production impro-	/ing	Cuarter ended	Cuerter
15 239 000 cumulative preference Co.  OFERRATIONS PRESULTS  Gold  Aftered (197)  One milled - underground (197)  - surface champs (197)  Yeld, underground (197)  - surface champs (197)  Surface champs (197)  Food underground (197)  Controlled (197)  Controlled (197)	78 sheets of 11 sects.  Barrier Querter  17931 30.9.1591  18 000 489 000  17 000 489 000  15 000 518 000  6.2 1,1  5.7 5.8  3.075 3.010	ended 31.12.1991 212.996 947.000 105.000 1.053.000 6,3 1.2 5,8 6.065	Company Registration No. 72/10604/05  Gold production improvious description - 28 000 000 shares of no-population and the second shares	ving ur valua.	ended 31.12,1991	ended 30.9.1991
15 289 000 cumulative preference (2)  OFERATIONS PARSULTS  Gold  Afterd (17)  Con milled - underground (17)  surface champs (17)  Yeld - underground (17)  Surface champs (17)  Surface champs (17)  Surface champs (17)  Control	78 sheres of 11 sects.  Larrier anded Caterier anded 2,1991 70 005 112 991 70 000 48 000 77 000 48 000 15 000 518 000 16 6,3 6,3 1,2 1,1 8,7 5,8 3 3 075 3 010	ended 31.12.1991 212.996 947.000 108.000 1 063.000 1 063.000 1.2 5.8 6 085 32.887	Company Registration No. 72/10804/06  Gold production impro- lessed capital - 28 000 000 shares of no-po- OPERATTRIG BESILLTS Mined	/ing ur valus.	ended 31.12,1991 34.447	ended 30.9.1991 33 675
15 239 000 cumulative preference Co.  OFERRATIONS PRESULTS  Gold  Aftered (197)  One milled - underground (197)  - surface champs (197)  Yeld, underground (197)  - surface champs (197)  Surface champs (197)  Food underground (197)  Controlled (197)  Controlled (197)	To sheep 43 of 11 accin. Lawrier anded anded anded 2,1991 10 005 112 991 15 000 49 000 6,2 6,2 5,7 5,8 3 0,75 3 010 12 512 512 30 25 19 175.16	ended 31.12.1991 212.996 947 900 106 900 1 953 000 1 953 000 1.2 5.8 6 095 32.857 30 497 176,23	Company Registration No. 72/10804/06  Gold production improvation	ving er velue.	ended 31.12,1991 34.447 180.000 6.4	ended 30.9.1991 33 675 163 000
15 289 000 cumulative preference (2)  OFERATIONS PARSULTS  Gold  Afterd (17)  Con milled - underground (17)  surface champs (17)  Yeld - underground (17)  Surface champs (17)  Surface champs (17)  Surface champs (17)  Control	To shere's of 11 accili- larities and addisonal acciling a color of the color of th	ended 31.12.1991 212.996 947 300 106 300 1 053 000 1 053 000 1 053 000 1 2 5.8 6 085 32.857 30.497 176,23 2 370	Company Registration No. 72/10604/06  Gold production improvement of p	ving er value.	ended 31.12.1991 34.447 180.000 6,4 1.153	ended 30.9.1991 33 675 163 000 6,4 1 043
15 289 000 cumulative preference Co.  OFERATIONS PARSULTS Gold (mr) Con milled - underground (mr) Con milled - underground (gr) Veld - underground (gr) Cold predened - underground (gr) Cold predened - underground (gr) Working revenue - gr) Working counts - (fr) Working counts - (fr) Working counts - (fr) Working counts - (fr) Cold predened - (	78 sheres of 11 sects.  surfar Catarias  anded anded anded 2,1991  30 005 112 991  80 000 489 000  50 000 518 000  6.3 1,1  6.7 3 010  3 075 3 010  3 075 3 010  3 075 3 057  3 075 3 057  3 075 3 057  3 075 3 057	ended 31.12.1991 212.996 947 900 106 900 1 953 000 1 953 000 1.2 5.8 6 095 32.857 30 497 176,23	Company Registration No. 72/10604/06  Gold production improvement of p	ving er value.	ended 31.12.1991 34.447 180.000 8.4 1.153 32.680 22.831	anded 30.9. 1991 23 675 163 000 5,4 1 043 33 309
15 288 000 cumulative preference (A)  Great	78 sheres of 11 sects.  water anded anded anded 2,1991  10 005 112 991  18 000 48 000  15 000 518 000  15 000 518 000  15 000 518 000  15 000 518 000  10 27 000 48 000  10 27 000 48 000  10 518 000  10 518 000  10 77 30 10	ended 31.12.1991 212.996 947 000 106 000 1 063 000 1 2.2 5.8 6 085 32.857 30.497 176,23 2 370 32.751	Company Registration No. 72/10604/05  Gold production improvement of no-polyment	ving urvalus.	ended 31.12.1991 34.447 180.000 6,4 1.153 32.680 22.831 183,40	ended 30.9. 1991 32 675 183 000 8,4 1 043 33 309 27 927 178,70
15 288 000 cumulative preference Co.  Circle Co.  Circle Co.  Circle Co.  Co. Circle Co.  Co. Circle Co.  Co. Circle Co.  Co. Circle Co.  Co. Circle Co.  Circle C	78 sheres of 11 sects.  surfar Catarias  anded anded anded 2,1991  30 005 112 991  80 000 489 000  50 000 518 000  6.3 1,1  6.7 3 010  3 075 3 010  3 075 3 010  3 075 3 057  3 075 3 057  3 075 3 057  3 075 3 057	ended \$1.12.1991 \$17.2086 \$47.000 108.000 108.000 108.000 1.2 5.8 6.085 32.857 30.497 176.23 2.370 32.751 35.99	Company Registration No. 72/10804/05  Gold production impro- leaved capital - 28 000 000 shares of no-po- OPERATING BESULTS  Mined	/ing	91.12.1991 34.447 180.000 6,4 1.153 32.630 22.831 183,40 4.049	anded 30.9. 1991 32 675 163 000 6,4 1 043 33 309 27 927 178,70 5 382
15 289 000 cumulative preference (ac care care care care care care care ca	To shere's of 11 acci.  Service of 11 acci.  Servic	ended 37.12.1991 272.996 947.000 106.000 1.053.000 6.3 1.2 5.8 6.085 32.857 176.23 2.370 32.751 359 767.000 105	Company Registration No. 72/10604/05  Gold production improvement of no-polyment	ving ar velua.	ended 31.12.1991 34.447 180.000 6,4 1.153 32.680 22.831 183,40	ended 30.9. 1991 32 675 183 000 8,4 1 043 33 309 27 927 178,70
15 288 000 cumulative preference on the profession of the professi	78 sheres of N1 accisus terms of the decision	ended \$1.12.1991 \$17.2086 \$47.000 108.000 108.000 108.000 1.2 5.8 6.085 32.857 30.497 176.23 2.370 32.751 35.99	Company Registration No. 72/10804/06  Gold production improvation	ving ar velua.	ended 31. 12. 1991 34. 447 180.000 6,4 1. 153 32. 690 22. 831 183,40 4.049 32. 660	ended 30.9. 1991 33 675 163 000 6,4 1 043 33 309 27 927 178,70 5 382 33 128
15 288 000 cumulative preference (2)  Control of the control of th	To shere's of 11 acci.  Service of 11 acci.  Servic	ended 37.12.1991 272.996 947.000 106.000 1.053.000 6.3 1.2 5.8 6.085 32.857 176.23 2.370 32.751 359 767.000 105	Company Registration No. 72/10604/06  Gold production impro- leaved capital - 28 000 000 shares of no-po- leaved capital - 28 000 000 shares of no-po- leaved capital - 28 000 000 shares of no-po- leaved - 28 000 000 shares of no-po-	ving ar velua.	anded 31.12.1991 34.447 180.000 6,4 1 153 32.680 22.831 183,40 4 049 32.660 360	90.9. 1991 33. 675 163. 000 1 043 33. 309 27. 927 178,70 5. 382 33. 128 369
15 288 000 cumulative preference (2)  Color professor passurers (2)  Gald Affined ondespread (2)  On milled ondespread (2)  Final content (2)  Sold professor cumulative (2)  Gold professor (2)  Working revenue (2)  Working counts (2)  Final counts (2)	To shere's of Y1 accis.  Series of Y1 accis.  Clastrian and accis.	ended 31.12.1991 212.996 947.000 108.000 108.000 1.083.000 4.3 1.2 5.8 6.005 32.887 30.497 176,23 2.370 32.781 32.781 32.781 32.781 32.781 32.781 32.781	Company Registration No. 72/10804/06  Gold production impro- lawed capital - 28 000 000 shares of no-po  OPERATING RESULTS  Mined	ving ar velua.	ended 31.12.1991 34.447 180.000 6.4 1 153 32.690 22.831 183,40 4 0,49 32.660 360	ended 30,2,1997 32,675 182,000 8,4 1,043 33,309 27,927 178,70 5,382 33,128 369 34,741 28,084
15 289 000 cumulative preference (A)  OPERATIONS PRESERTS  Gold  Aftered (177)  On milled - endespressed (177)  - surface dumps (177)  Total (177)  Ook prefere dumps (177)  Ook prefere dumps (177)  Ook prefere dumps (177)  Ook produced (177)  Working revence (178)  Working revence (178)  Working nooms (178)  Working nooms (178)  Ook produced (178)  Working income (178)  Vioralism  Pulp treated (178)  Virgit  Firename (178)  Fi	To sheep 4. of 11 accis.  Services of 11 acci	ended 37.12.1991 272.996 947.000 106.000 1.053.000 6.3 1.2 5.8 6.085 32.857 176.23 2.370 32.751 32.957 767.000 0,14	Company Registration No. 72/10804/06  Gold production improvation income.	ving ar velua.	31.12.1991 34.447 180.000 9,4 1 153 32.580 22.831 183,40 4 049 22.630 33.000 37.680 33.012	30.2 1997 32 575 183 000 1 043 33 309 27 927 178,70 5 382 33 128 33 128 34 741 29 084 44
15 289 000 cumulative preference (2)  Control of the control of th	To shere's of Y1 accis.  To shere's of Y1 acci	ended 31.12.1991 212.996 947.000 108.000 108.000 1.083.000 4.3 1.2 5.8 6.005 32.887 30.497 176,23 2.370 32.781 32.781 32.781 32.781 32.781 32.781 32.781	Company Registration No. 72/10804/05  Gold production impro- lawed capital - 28 000 000 shares of no-po- lawed capital - 28 000 000 shares of no-po- OPERATING RESULTS  Mined	ving ar velua.	91.12.1991 34.447 180.000 1 153 32.680 22.831 183,40 4 049 22.680 33.012 	30.2 1997 32 675 183 000 1 043 33 339 27 927 178,70 5 382 33 128 369 34 741 28 084 44 5 673 114
15 288 000 cumulative preference (2)  Color professor paravers (2)  Veld analysis present (2)  Veld analysis present (2)  Veld analysis (2)  Sold professor (2)  Sold professor (2)  Working revenue (2)  Working counts (2)  Sold price received (2)  Versions  Pulp treated (2)  FRANCIAL RESERTS (R'000)  Gold - Working revenue (2)  - Working counts (3)  - Resenctment cours  - Working income (3)  - Working income (3)  - Resenctment cours  - Working income (3)	To shere 4. of 11 acch.  Series 4. of 11 acch.  Series 5. of 11 acch.  Series 6. of 11 acch	ended 31.12.1991 212.996 947.000 108.000 108.000 1.083.000 4.3 1.2 5.8 6.005 32.887 30.497 176.23 2.370 32.781 32.781 32.781 32.781 32.781 32.781 32.781 32.781 32.781 32.781 32.781 32.781 33.781 34.483 1.090 14.429	Company Registration No. 72/10804/06  Gold production impro- leaved ceptral - 28 000 000 shares of no-po- leaved ceptral - 28 000 000 shares of no-po- leaved ceptral - 28 000 000 shares of no-po- leaved ceptral - 28 000 000 shares of no-po- leaved - 28 000 000 shares of	ving ar velua.	anded 31.12.1991 34.447 180.000 1 153 32.680 22.631 183,40 40.49 32.660 360 37.680 33.012 4.668	30.2 1991 23 675 162 000 1 043 23 329 27 977,8,70 5 382 33 399 27 98 34 741 29 084 44 5 673
15 289 000 cumulative preference October 15 289 000 cumulative October 15 289 000	Table 19 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	ended 31.12.1991 212.996 947.000 108.000 108.000 1.053.000 8.3 1.2 5.8 6.085 32.857 30.487 176.23 2.370 3.359 787.000 105 0,14	Company Registration No. 72/10804/06  Gold production impro- lawed capital - 28 000 000 shares of no-po  OPERATTANG RESPULTS  Mined	ving ar velua.	31.12.1991 34.447 180.000 9,4 1 153 32.680 22.831 180,40 4.049 22.660 33.012 4.668 184 1.504	30.2 1991 32 675 183 000 1 043 33 309 27 927 178,70 5 382 33 389 34 741 28 084 44 5 673 114 1 848
15 299 000 cumulative preference  OPERATIONS PREFERTS  Gold  Affined (1)  On milled - excleopment (1)  - surface champs (1)  - surface champs (1)  Sold preference dumps (1)  Sold produced (1)  Working revence (1)  Worki	### a sheet a of hi access the sheet and sheet	ended 37.12.1991 272.996 947.000 106.000 1 053 000 6.3 1.2 5.8 6 085 32.857 176.23 2 370 32.751 32.957 767.000 0,14 198.996 184.483 1 090 14 423 4 733	Company Registration No. 72/10804/06  Gold production impro- leaved ceptral - 28 000 000 shares of no-po- leaved ceptral - 28 000 000 shares of no-po- leaved ceptral - 28 000 000 shares of no-po- leaved ceptral - 28 000 000 shares of no-po- leaved - 28 000 000 shares of	ving ar velua.	91.12.1991 34.447 180.000 1 153 32.680 22.831 183,40 4 049 22.680 33.012 	30.2 1997 32 675 183 000 1 043 33 389 27 927 178,70 5 382 33 128 369 34 741 26 084 44 5 673 114
- 15 289 000 cumulative preference on the preference of the prefer	The street of 11 access team of the content of the	ended 31.12.1991 212.996 947 000 106 000 1 063 000 6.3 1.2 5.8 6 086 32.857 176.23 2 370 32 751 32 751 359 767 000 106 0,14	Company Registration No. 72/10804/06  Gold production impro- lawed capital - 28 000 000 shares of no-po  OPERATING RESULTS  Mined	ving ar velua.	31.12.1991 34.447 180.000 1.153 32.680 22.680 22.680 22.680 300 37.680 37.680 37.680 37.680 37.680 37.680 37.680 37.680 37.680	30.2 1997 32 675 183 000 1 043 33 309 27 927 178,70 5 382 33 128 369 34 741 28 084 44 5 611 1 848 9 891 1 32
- 15 289 000 cumulative preference on Cores Alines (12) 24 Alines (12) 25 Alines	The series of his access to th	ended 31.12.1991 212.996 947 000 106 000 1 063 000 6.3 1.2 5.8 6 086 32.857 30.487 776.23 2.370 32.761 359 767 000 106 0,14 188 996 184 483 1 090 14 423 4 732 8 034 2 278 1 348 8 034 2 278 1 348 8 3 306	Company Registration No. 72/10804/06  Gold production impro- Issued ceptai - 28 000 000 chares of no-po- Issued ceptai - 28 000 000 chares of no-po- OPERATING RESULTS  Mined	ving ar velua.	31.12.1991 34.447 180.000 6,4 1.153 32.880 22.891 180,40 2.0000 2.0000 2.0000 2.0000 2.0000 2.0000 2.0000 2.0000 2.0000 2.0000	39.2 1991 33 675 183 000 1 043 33 309 27 977 176,70 5 32 33 309 27 977 176,70 5 32 3 399 34 741 28 084 44 5 613 114 1848 3 881 132
15 289 000 cumulative preference (a)  Orientatives research (a)  State (a)  Aftered (a)  State (a)	### ### ### ### ### ### ### ### ### ##	ended 31.12.1991 212.996 947.000 106.000 106.000 1.063.000 4.3 1.2 5.8 6.005 32.857 30.497 176.23 2.370 32.751 32.	Company Registration No. 72/10804/06  Gold production impro- lawed capital - 28 000 000 shares of no-po  OPERATING RESULTS  Mined In One milled In One mille	ving ar velua.	31.12.1991 34.447 180.000 1.153 32.680 22.680 22.680 22.680 300 37.680 37.680 37.680 37.680 37.680 37.680 37.680 37.680 37.680	30.2 1997 32 675 183 000 1 043 33 309 27 927 178,70 5 382 33 128 369 34 741 28 084 44 5 611 1 848 9 891 1 32
- 15 289 000 cumulative preference (a)  OPERATIONS PRESENTS  Golds  Althord (17) - Surface dumps (17) - Surface du	The sheets of his access with the second of	ended 31.12.1991 212.996 947 000 106 000 1 063 000 6.3 1.2 5.8 6 086 32.857 30.487 776.23 2.370 32.761 359 767 000 106 0,14 188 996 184 483 1 090 14 423 4 732 8 034 2 278 1 348 8 034 2 278 1 348 8 3 306	Company Registration No. 72/10804/06  Gold production impro- Issued ceptai - 28 000 000 chares of no-po- Issued ceptai - 28 000 000 chares of no-po- OPERATING RESULTS  Mined	ving ar velua.	31.12.1991 34.447 180.000 6,4 1.153 32.880 22.891 180,40 2.0000 2.0000 2.0000 2.0000 2.0000 2.0000 2.0000 2.0000 2.0000 2.0000	39.2 1991 33 675 183 000 1 043 33 309 27 977 176,70 5 32 33 309 27 977 176,70 5 32 3 399 34 741 28 084 44 5 613 114 1848 3 881 132
15 289 000 cumulative preference Co.  OPERATIONS PRESERTS  Gold  Aftered	The street of his access to the street of his access to street of his access t	ended 31.12.1991 212.996 947 000 106 000 1 053 000 6.3 1.2 5.8 6 085 32.857 176.23 2 370 32 751 359 767 000 0,14 198.996 184.483 1 090 14 423 4 733 6 034 2 278 1 2 446 3 306 2 478	Company Registration No. 72/10804/06  Gold production impro- Issued ceptai - 28 000 000 chares of no-po- Issued ceptai - 28 000 000 chares of no-po- OPERATING RESULTS  Mined	r valua.	31.12.1991 34.447 180.000 6,4 1.153 32.680 32.680 32.680 39.0 37.680 33.012 4.668 33.012	39.2 1991 33 675 163 000 1 043 33 309 27 927 178,70 5 352 33 128 369 34 741 28 084 44 5 613 114 1 1 848 3 861 1 122 3 749 1 306
15 289 000 cumulative preference Co.  Control of the Control of th	### 100 020 ### 10	### ### ### ### ### ### ### ### ### ##	Company Registration No. 72/10804/06  Gold production impro- Issued ceptai - 28 000 000 chares of no-po- Issued ceptai - 28 000 000 chares of no-po- OPERATING RESULTS  Mined	Counter state	31.12.1991 34.447 180.000 6,4 1 153 32.680 32.680 32.680 33.012 4.668 33.012	30.2 1997 32 675 183 000 1 043 1 043 33 399 27 927 178,70 5 382 33 128 34 741 28 084 44 5 613 114 1 848 3 881 1 306
15 289 000 cumulative preference Co.  Control of the Control of th	### 109 020 ### 10	### ### ### ### ### ### ### ### ### ##	Company Registration No. 72/10804/06  Gold production impro- leaved capital - 28 000 000 shares of no-po  OPERATTRIG BESSULTS  Mined	Operator on St. 12.1. Leader 12.1.	31.12.1991 34.447 180.000 6.4 1.153 32.680 22.831 180,49 22.680 33.012 4.668 184 1504 33.48 222 2.526 4.668 2.526	30.2 1991 32 675 183 000 1 043 33 399 27 97,778,70 5 382 33 399 34 741 29 084 44 5 673 114 1 848 3 891 122 3 748 1 306
Great Tribute Paraultus  Great State Co.  Great State Co.	### 100 Page 1	### ### ### ### ### ### ### ### ### ##	Company Registration No. 72/10804/06  Gold production impro- lawed capital - 28 000 000 shares of no-po  OPERATING RESULTS  Mined	Ouarter on St. 12.1 Leader Reg R	31.12.1991 34.447 180.000 18.44 1 153 32.680 22.8831 180,40 4 049 22.680 33.012	30.2 1991 32 675 183 000 1 043 33 389 27 927 178,70 53 322 33 128 369 34 741 29 084 44 5 613 114 1 848 3 861 1 326 2 749 1 306
15 289 000 cumulative preference Co.  Corestations research S.  Golds Affined Condesprensed (0')  - Surface dumps (0')  - Yeld underground (0')  - Yeld (0')  - Yeld underground (0')  - Yeld (0')  -	### 100 PT   100 PT   ### 100 P	ended 31.12.1991 212.996 947 000 106 000 1 053 000 6.3 1.2 5.8 6 086 32.857 176.23 2 370 32 751 359 767 000 0,14 188 996 184 483 1 090 14 423 4 733 6 034 2 278 1 2 614 2 817 9 900 13 000 7 459	Company Registration No. 72/10804/06  Gold production impro- lawed capital - 28 000 000 shares of no-po- OPERATTING RESPULTS  Mined	Charter on St. 12.1 Leader Red Res 2 2 2	31.12.1991 34.447 180.000 180.000 180.404 1 153 32.680 22.8831 180,40 4 049 22.680 33.012 4.668 184 1.504 3.348 2.22 3.126 2.526	30.2 1991 32 675 183 000 1 043 33 399 27 927 178,70 53 329 34 741 29 084 44 5 613 114 1 848 3 861 1 306 23 748 1 306 1 306 2 3748 1 306 2 3748 1 3 2 333 1 2 331 1 2 333 1 2 331
Treatment of the control of the cont	### ### ### ### ### ### ### ### ### ##	ended 31.12.1991 212.996 947 000 106 000 1 053 000 6.3 1.2 5.8 6 086 22.857 176.23 2 370 32 751 359 767 000 0,14 198.998 184.483 1 090 14 423 4 733 6 034 2 278 12 614 2 917 9 900 13 000 7 459 809 596	Company Registration No. 72/10804/05  Gold production impro- Issued capital - 28 000 000 shares of no-po- OPERATING RESULTS  Mined	Outster sing.  Counter sing.  1.12.1  Loader R  S2. 2  S8	31.12.1991 34.447 180.000 4.153 32.880 22.851 180,40 2.0000 2.0000 2.0000 2.0000 2.0000 2.0000 2.0000 2.0000 2.0000 2.0000 2.0000 2.0000 2.0000 2.0000	30.2 1991 33 675 163 000 1 0 43 3 300 27 97 176,70 5 322 33 309 27 97 176,70 5 322 33 309 27 97 176,70 5 3122 369 34 741 28 084 5 613 114 1848 3 881 1322 3 748 1 306
15 289 000 cumulative preference on Commentaria preference on Commentaria (preference on Commentaria (	### ### ### ### ### ### ### ### ### ##	ended 31.12.1991 212.996 947 000 106 000 1 053 000 6.3 1.2 5.8 6 086 32.857 176.23 2 370 32 751 359 767 000 0,14 188 996 184 483 1 090 14 423 4 733 6 034 2 278 1 2 614 2 817 9 900 13 000 7 459	Company Registration No. 72/10804/05  Gold production impro- leaved capital - 28 000 000 shares of no-po- OPERATTRAG BESPULTS  Mined	Counter structure of the counter structure of	31.12.1991 34.447 180.000 6.4 1.153 32.680 32.680 390 37.680 33.012 4.668 184 1504 33.48 222 3.126 2.626	30.2 1991 33 675 163 000 1 0.43 3 309 27 927 176,70 5 32 3 329 34 741 28 084 28 084 5 613 114 1 888 3 881 132 27 749 1 306  444 5 613 1 1306
15 289 000 cumulative preference on Commentaria preference on Commentaria (preference on Commentaria (	### 100 020 ### 10	### ### ### ### ### ### ### ### ### ##	Company Registration No. 72/10804/05  Gold production impro- leaved capital - 28 000 000 shares of no-po- OPERATTRIG BESULTS Mined	Ounter on St. 12.1 Leader R. S.2 2 S.3 2.3	31.12.1991 34.447 180.000 6.44 1153 32.580 180,40 180,40 22.580 22.580 23.580 2	30.2 1991 32 675 183 000 1 043 33 399 27 987 178,70 53 329 34 741 29 084 44 1848 3861 132 3748 1306 4312 3748 1306 4312 3748 1306 4312 3748 1306 4312 3748 1306 4312 3748 1306 4312 3748 1306
15 289 000 cumulative preference Co.  COPERATIONS PREFERENCES  Gold Allered Company 10  Seeks 31.12  Allered Company 10  Seeks 31.12  Allered Company 10  Seeks 10  Se	### 100 020   10	ended 31.12.1991 212.996 947 000 106 000 1 053 000 6.3 1.2 5.8 6 085 22.857 176.23 2 370 32 751 105 0,14 189.996 184.483 1 090 14 4.23 4 733 8 034 2 278 1 346 2 396 2 478 1 2 614 1 2 817 9 900 13 000 7 459 809 81 81 81 81 81 81 81 81 81 81	Company Registration No. 72/10804/05  Gold production impro- Issued capital - 28 000 000 shares of no-po- OPERATING RESULTS  Mined	Ounter on St. 12.1 Leader R. S.2 2 S.3 2.3	31.12.1991 34.447 180.000 6.4 1.153 32.680 32.680 390 37.680 33.012 4.668 184 1504 33.48 222 3.126 2.626	30.2 1991 33 675 163 000 1 0.43 3 309 27 927 176,70 5 32 3 329 34 741 28 084 28 084 5 613 114 1 888 3 881 132 27 749 1 306  444 5 613 1 1306
15 289 000 cumulative preference Co.  COPERATIONS PRESERTS  Gold  Aftered	### ### ### ### ### ### ### ### ### ##	ended 31.12.1991 212.996 947 000 106 000 1 053 000 6.3 1.2 5.8 6 085 22.857 176.23 2 370 32 751 105 0,14 189.996 184.483 1 090 14 4.23 4 733 8 034 2 278 1 346 2 396 2 478 1 2 614 1 2 817 9 900 13 000 7 459 809 81 81 81 81 81 81 81 81 81 81	Company Registration No. 72/10804/06  Gold production impro- Issued capital - 28 000 000 shares of no-po- Issued capital - 28 000 000 shares of no-po- OPERATING RESULTS  Mined	Ounter on St. 12.1 Leader R. S.2 2 S.3 2.3	31.12.1991 34.447 180.000 6.44 1153 32.580 180,40 180,40 22.580 22.580 23.580 2	30.2 1991 32 675 183 000 1 043 33 399 27 987 178,70 53 329 34 741 29 084 44 1848 3861 132 3748 1306 4312 3748 1306 4312 3748 1306 4312 3748 1306 4312 3748 1306 4312 3748 1306 4312 3748 1306
- 15 289 000 cumulative preference Co.  Corestations research S.  Gold Mined	### 100 020   10	### ### ### ### ### ### ### ### ### ##	Company Registration No. 72/10804/05  Gold production impro- leaved capital - 28 000 000 shares of no-po- OPERATTRIG BESULTS Mined	Counter on St. 12.1. Leader R. S. 2. S. 2. S. 2. S. 2. S. 2. S. 562	31.12.1991 34.447 180.000 4.451 153 32.680 22.680 22.680 23.600 23.600 23.600 23.600 23.600 23.600 23.600 23.600 23.600 23.600 23.600 23.600 23.600 23.600 23.600 23.600 23.600 23.600 23.600 24.668 184 1504 222 2.626 2626	30.2 1991 32 675 183 000 1 043 33 399 27 987 178,70 53 329 34 741 29 084 44 1848 3861 132 3748 1306 4312 3748 1306 4312 3748 1306 4312 3748 1306 4312 3748 1306 4312 3748 1306 4312 3748 1306
OFERALINES PRESULTS  Gold  Aftered  Attend  Con milled - undespressed  Aftered  State  Aftered  Con milled - undespressed  (U)  Velid  Underground  (U)  Velid  Underground  (U)  Velid  Underground  (U)  Velid  Underground  (U)  Verify  Verify  Verify  Verify  Verify  Verify  Verify  Verify  Cold presented  (Verify  Verify  Verif	### ### ### ### ### ### ### ### ### ##	### ### ### ### ### ### ### ### ### ##	Company Registration No. 72/10804/05  Gold production impro- lawed capital - 28 000 000 shares of no-po  OPERATTAG RESULTS  Mined	Charter on 91.12.1 Loader Ba 22 2 2 3 562 at six months - R	31.12.1991 34.447 180.004 1.153 32.580 22.583 180,40 2.583 2.580 2	30.2 1991 32 675 183 000 1 043 33 399 27 97 178,70 5 382 33 399 34 741 29 084 44 1 848 1 848 1 1322 3 749 1 306 1 30 2 331 9 401 1 9 401 1 9 9 401
15 289 000 cumulative preference Co.  COPERATIONS PRESERVES  Gold  Aftered	### ### ### ### ### ### ### ### ### ##	### ### ### ### ### ### ### ### ### ##	Company Registration No. 72/10804/05  Gold production impro- Issued capital - 28 000 000 shares of no-po- OPERATTAG RESULTS  Mined	Charter on 31.12.1 Leader Be 22 2 2 23 262 at six months - R cose throughout	31.12.1991 34.447 180.004 1.153 32.580 22.583 180,40 2.583 2.580 2	30.2 1991 32 675 183 000 1 043 33 399 27 97 178,70 5 382 33 399 34 741 29 084 44 1 848 3 861 132 3 749 1 306 4 392 1 306 4 393 1 306 4 306
OFERALINES PRESULTS  Gold  Althord  Surface dumps  (1)  On milled - enclospround  Surface dumps  (2)  Veid, underground  (3)  Veid, underground  (4)  Si  Weid, underground  (4)  Si  Working nevernoe  (6)  Working revernoe  (6)  Working incoms  (6)  Gold produced  (6)  Working incoms  (6)  Gold produced  (6)  Verging  Verging  Sold proje received  (6)  Codie produced  (6)  Verging  FRANCIAL RESERIS (FOOG)  Gold - Working reverns  - Working casts  - Working casts  - Resumment chars  Working incoms  Sunday income  Shere of income - Bestrix rates  Deplie expenditure  Childends tisdered - orderity shares  - presument and  State's share of income  Charles of income - Bestrix rates  DEPILIOPMENT - Vale fixed & C Reef  Advanced  Advanced  Charles wistes  - presumence shares  Charles wistes  - presumence shares  - presu	### ### ### ### ### ### ### ### ### ##	### ### ### ### ### ### ### ### ### ##	Company Registration No. 72/10804/05  Gold production impro- Issued capital - 28 000 000 shares of no-po- OPERATTAG RESULTS  Mined	Charter on 31.12.1 Leader Be 22 2 2 23 262 at six months - R cose throughout	31.12.1991 34.447 180.004 1.153 32.580 22.583 180,40 2.583 2.580 2	30.2 1991 32 675 183 000 1 043 33 399 27 97 178,70 5 382 33 399 34 741 29 084 44 1 848 3 861 132 3 749 1 306 4 392 1 306 4 393 1 306 4 306
OPERATIONS PRESULTS  Gold  Althord  Authord  Con militad - anateographic (0)  Saled  Althord  Surface dumps  (0)  Siled  Meid  Lotal  Lotal  Meid  Lotal  Meid  Lotal  Meid  Lotal  Meid  Lotal  Siled  Microling controllated  (0)  Working revenue  (0)  Working controllated  (0)  Working controllated  (0)  Working controllated  (0)  Working controllated  (0)  Codd projectory  (0)  Codd projectory  (0)  Codd projectory  Codd projectory  Lotal	### ### ### ### ### ### ### ### ### ##	ended 31.12.1991 12.1991 947 000 106 000 1 063 000 6.3 1.2 5.8 6 086 32.857 176.23 2 370 32.761 33.761 34.862 34.761 34.761 34.761 34.761 35.761 36.761 37.761	Company Registration No. 72/10804/05  Gold production impro- leaved capital - 28 000 000 shares of no-po- leaved capital - 28 000 000 shares of no-po- OPERATTRIG BESULTS Mined	Counter star.  Counte	31.12.1991 34.447 180.000 4.451 153 32.680 22.680 22.680 23.600 23.7200 23.7200 23.7200 23.7200 24.600 25.7700 25	30.2 1991 33 675 183 000 1 043 33 399 27 97 176,70 5 382 33 399 34 741 29 084 4 5 673 114 1 848 1 306 3122 3748 1 1306  superior ended 392, 1997 107 107 108 109 110 109 110 109 110 109 110 109 110 109 110 109 110 109 110 109 110 109 110 109 110 109 110 110
15 289 000 cumulative preference Co.  COPERATIONS PRESERVES  Gold  Aftered	### ### ### ### ### ### ### ### ### ##	ended 31.12.1991 12.1991 947 000 106 000 1 063 000 6.3 1.2 5.8 6 086 32.857 176.23 2 370 32.761 33.761 34.862 34.761 34.761 34.761 34.761 35.761 36.761 37.761	Company Registration No. 72/10804/05  Gold production impro- Issued capital - 28 000 000 shares of no-po- OPERATTAG RESULTS  Mined	Counter star.  Counte	31.12.1991 34.447 180.000 4.451 153 32.680 22.680 22.680 23.600 23.7200 23.7200 23.7200 23.7200 24.600 25.7700 25	30.2 1991 33 675 183 000 1 043 33 399 27 97 176,70 5 382 33 399 34 741 29 084 4 5 673 114 1 848 1 306 3122 3748 1 1306  superior ended 392, 1997 107 107 108 109 110 109 110 109 110 109 110 109 110 109 110 109 110 109 110 109 110 109 110 109 110 109 110 110

ST. HELENA			
Gold Mines Lir	nited		
Company Registration No. 05/20743/06		_	
Improved development	results		
lesued capital – 9 625 000 ordinary shar - 3 826 035 'A' cumulativ - 3 825 035 'S' cumulativ - 2 465 000 'C' cumulativ	e preference sha	ures of R1 such	
OPERATING RESULTS Mined(m²) Ore milled(t)	Quarter ended 31.12.1991 88 300 354 000	Quarter ended 30.9.1991 73.771 351.000	Yeer ended 31,12,1991 301,886 1,467,900
Yield (g/t) Gold produced (kg) Working revenue (RAg) Working costs (RAg)  (RAg)	5,8 2 065 32 685 29 321 171,04	5,8 2 020 33 352 30 741 178,91	8.0 8.763 32.227 30.599 182.57
Working income(R/kg) Gold price received(R/kg)(R/kg) FENANCIAL RESULTS (R'000)	3 365 32 692 358	2 611 33 286 363	1 628 32 196 366
Working revenue	67 496 80 547	67 372 61 966 130	282 080 262 519 5 313
Working Income	6 949 7 410	5 278 5 417	14 248 23 709
Income before taxation and State's where of income	14 359 4 570	10 693 1 507	37 957 8 803
Attributable to ordinary Nterebolders Capital expenditure	9 789 2 618	9 186	29 154 8 651
Dividend declared - ordinary shares	14 438		19 250
31.1	ended	Quarter ended 0.9.1991 Leeder Bass Reef Ree	Year endod 31.12.1991 i Leader i Reef
Advanced	268 2 995 193 697 184 7 19 174 132 4.1 7,0	98 13 48 89 2 57 81 2 63 148 12	9 903 1 563 1 636 5 175
(cm.g/t) 1018	712 925	2,4 7,3 349 90	
- Estimated capital expenditure for the r - Treatment of silmes by Free State Co	next six months insolidated Gol	- R3,7 million. d Mines Limited	e bebleiy b

R	EMARKS
-	Estimated capital expenditure for the next six months - R3,7 million,
_	Treatment of allmas by Free State Consolidated Gold Mines Limited yielded a profit of R3.2 million for the querter.
-	Final dividend No. 73 of 150 cents per share was declared.
-	Hedging profits of R332 000 from the forward sele of 7 284 oz of gold are included in working revenue. Contracts for 24 929 oz are still outstanding at an average of 81 113 per oz.
	AVERAGE SINCE OF H1 113 DEL GZ.

88 T41

Oryx mine

Stoping started

(A Division of St. Helena Gold Mines Limited)

Channel width	92. sie of 1 460 o	2 258 z of gold are
<b>LESLIE</b> Gold Mines Limited		
Company Registration No. 59/01124/06  Profit Gown  Insued capital – 16 000 000 shares of 65 cents each.		
OPERATING RESULTS  Mined	Ovarter ended 31.12.1991 28 133 103 500 516 32 916 31 535 167,22 1 380 32 557	Ouerter ended 30.9.1991 30.451 94.500 5,4 510 33.982 30.908 168,28 3.174 33.522
FINANCIAL RESILTS (R'000)  Working revenue	361 16 984 16 272 712 640 1 352 399 953 488	364 17 331 15 712 1 619 1 449 3 968 396 2 672 476 2 400
Income after texation and State's share of income		-

		-
Company Registration No. 65/03606/06		
Improved gold output		
lasued capital - 12 190 000 shares of R1 each.		
	Quarter	
OPERATING RESULTS	ended 31.12.1991	ended 30.9, 1991
	110 062	104 744
Mined(tr)	480 000	475 000
Yield(g/t) Gold produced(g)	6,0	5,9
Gold produced(Ag) Working revenue(R/kg)	2 860 32 700	2 804 2 804 22 801
Working revenue	28 700 28 700	25 401
Working costs (RAg) (RAg) (RA milled)	159,09	149,94
Working Income(R/kg) Gold price received(R/kg)	6 000	
Gold price received(P/Rg)	32 576 361	33 524 362
FINANCIAL RESULTS (R'000)		
Working revenue	93 521	94 436
Working costs	76 362	71 223
Working income	17 160 9 057	23 216 4 947
Sunary income - net	9 05/	34/
Income before taxation and State's	26 216	28 163
Taxation and State's share of income	4 700	2 524
Income after taxation and State's		
share of Income	21 518	25 639
Cepital eppropriation	31 637	20 445
DEVELOPMENT - Kimbarley Reaf	4 797	2747
Advanced(m) Advanced on reel(m)	4 /9/ 1 057	2 747 812
Sampled(m)	890	795
Sempled(m) Chennel width(cm) Average value – gold(g/t)	94	76
Averege value – gold(g/l) (cm.g/l)	13,2 1,243	16,6 1 264

KINROSS		
Mines Limited		
Company Registration No. 83/05225/06		
Revenue hit by lower gold pi	rice	
Issued capital - 18 000 000 stock units of R1 each	L.	
	Quarter ended	Quarter ended
OPERATING RESULTS	31.12.1991	30.9.1991
Ore milled(rr²)	102 858 471 000	109 003 481 000
Yield		
Yield(g/) Gold produced(kg)	3 002 32 626 24 082 153,49	3 006
Working revenue (R/kg)	32 626	33 792
Working costs(R/tg)	24 OB2	23 403 146,28
Working Income (RAm)	8 544	10 389
Working revenue (Reg) Working costs (Reg) Working costs (Reg) Working Income (Reg) Gold price received (Reg)	32 566	33 663
(\$/oz)	360	366
FINANCIAL RESULTS (R'000)		
Working revenue	97 943	101 578
Working costs	72 294	70 350
Working income - net	25 649	31 228
Sundry income - net	4 275	5 202
Tribute and royalty payments - net	624	1 927
Income before taxation and State's		
share of income	29 250	34 503
Texation and State's share of income	8 410	13 208
income after texetion and State's share of income	19 840	21 296
Capital expenditure	885	10 886
Olvidend declared	0 003	21 600
DEVELOPMENT - Kimberley Reef		
Advanced(m)	4 847	4 331
Advanced on reef(m)	7 360 1 302	1 038 1 070
Sampled(m) Channel width(cm)	1 302 37 4	38,9
Average value - gold ,(g/t)	37,4 17,4	15.0
(cm.g/t)	850	584
REMARKS		
- Estimated capital expanditure for the next ax n		
- Hedging profits of R486 000 from the forwar	d sale of 10 668 oz	of gold are
Included in working revenue. Contracts for 38 average price of R1 113 per oz.	506 oz are still outst	anding at an

3

REMARKS

- Estimated capital expenditure for the next six months – R1,1 million.

- The Northern Block capital programme is on schedule and will enable some 24 000 tons per month of reef to be mined.

- Hedging profits of R83 000 from the forward sale of 1 830 oz of gold are included in working sevenue. Contracts for 6 263 oz are still outstanding at an average price of R1 113 per oz.

Charnel width	DEVELOPMENT - Kimberlev Reef Advanced (ni) Advanced on reef	ward sale of 10 668 oz of gold are
MOTES  1. On 15 January 1882 dividends were declared by certain of the abovernandoned companies, psychie to members registered at the close of business on 31 January 1982. The registers of members of the companies will be closed from 3 February 1982 to 14 February 1982, both days inclusive.  The dividends are declared in the currency of the Republic of South Africe. Psyments from the United Kingdom office will be used in Starling at the rate of exchange ruling on 28 February 1982, or the first day thereofter on which a rate of exchange is evaluable.  Dividend wereness will be pested on 13 March 1992.	Trensfer offices South Africa: Central Registrars Limated 154 Market Street, Johannesburg 2001 (PO Box 4844, Johannesburg 2000) Under Kingdom: Barclays Registrars Bourne House 34 Beckenham Road Beckanham Kent BR3 47U	Ragistanid and head office General Mining Building 6 Holland Street Johannesburg 2001 (PO Box 61820, Marshelltown 2107) Lendon office Gencor UNQ Limited 30 Ety Place London ECIN GUA
In the case of non-realdest shareholders, taxation of 16 percent will be deducted.  The full conditions of payment may be inspected at or obtained from the registered office.  2. Development values represent actual results of sampling. No allowages has been made for any adjustments which may be necessary when estimating are reserves.		
2. All financial figures are unsuffited.  By order of the respective boards General Mining, Motate and Minorale Limited Secretaries par: D J D Rose Memager: Administration and Secretarial Services Johannesburg, 16 January 1982	Cepies are available from London office	GENMIN GROUP



#### Crédit Lyonnais

Subordinated Floating Rate Notes Due 2000

Interest Rate Interest Period 5% регалит 16th January 1992 16th July 1992

region of the control of the control

1890
1at qtr.
2nd qtr.
2nd qtr.
3rd qtr.
4th qtr.
October
Novembr
1897
1at qtr.
2nd qtr.
2nd qtr.
3rd qtr.
Juney
Juney
Juney
August
October
May October

Ist qtr. 2nd qtr. 2nd qtr. 4th qtr. October Novemb Decemb 1991 and qtr. 2nd qtr. 2nd qtr. 2nd qtr. 2nd qtr. 4anuary Februari March Mary Jurie August Soctober October Cotober Cotober

138.4 137.6 140.2 138.4 131.3 138.2 138.3 138.4 138.0 145.3 138.4 138.3

11.5 11.5 10.3 10.8 11.3 12.0 12.1 12.0 11.1 10.6

118.8 119.7 121.2 123.6 123.7 123.8 124.2

128.0 128.1 139.5 125.2 126.5 127.6 127.6 128.4 128.4 128.4 121.5 121.5 121.5 121.5

Zad qtr.
3rd qtr.
4th qtr.
Clobber Hovemba
Decemba
1991
1st qtr.
2nd qtr.
3rd qtr.
3rd qtr.
3rd qtr.
3rd qtr.
3rd qtr.
4aruary
Harreh
April
May
June
July
August
September
Hovember
Hovember

-2,988 -2,104 -2,345 -1,340 - 773 - 877 - 904 - 353 - 812 - 881 - 887

FRANCIAL-Money supply M0, M2 and M4 (annual percentage change);bank starling lending to private sector, building societies net inflow; consumer credit;

+ 21,525 + 19,346 + 13,740 + 15,076 + 5,626 + 8,215 + 3,220

+ 10,236 + 0,481 + 0,481 + 1,949 + 1,949 + 4,423 + 2,974 + 2,157 + 2,157 + 1950 + 5,535

190.8 191.2 190.2 190.9 191.4 191.5 191.1 191.1 191.1 191.1 191.5 191.1

131.1 121.7 121.8 131.4 131.4 131.4 131.4 131.4 131.4 131.1 131.1

Interest Amount per U.S. \$10,000 Note due 16th July 1992

U.S. \$252.78

Credit Suisse First Boston Limited Reference Agent

U.S.\$30,000,000

Floating Rate Subordinated Notes due 1997. Holders of Floating Rate Subordinated Notes of the above issue are hereby notified that for the Interest Period from 17th January, 1992 to 21st April, 1992 the following information is relevant:

1. Applicable

51/4% per annum

2. Coupon Amount payable on Interest Payment Date: per US \$10,000 Nominal

Interest Payment Date:

21st April, 1992

Agent Bank Bank of America International Limited



#### Repulic of Iceland U.S. \$125,000,000

Floating Rate Notes due 2000

Holders of Floating Rates Notes of the above issue are hereby notified that for the interest period from 17th January, 1992 to 17th July, 1992 the following information will apply:

1. Rate of Interest: 51/4% per annum

2. Interest Amount payable on Interest Payment Date: US \$265.42 Per US \$10,000 Nominal or US \$6,635.42 Per US \$250,000 Nominal

3. Interest Payment

17th July, 1992

Agent Bank

Bank of America International Limited



CALOR, ROWENTA, SEB. TEFAL 1991 PRELIMINARY CONSOLIDATED SALES

(FRF million)	1991	1991/1990
France	2 808	+ 2%
Germany	1 152	+ 1%
Other European countries	2 844	+ 12%
Outside Europe	1 467	+ 18%

Groupe SEB, Service Communication B.P. 172 - 69132 ECULLY CEDEX - FRANCE Tel.: (33) 72.20.16.40



# Den norske Bank

(Formerly Bergen Bank A/S)

rated in the Kingdom of Norway with limited liability) U.S.\$75,000,000

Floating Rate Notes Due 1997
(with the right to subordinate)
Notice is hereby given that the interest payable on the relevant interest Psyment Date, February 13, 1992 for the period August 13, 1991 to February 13, 1982 against Coupon No. 13 in respect of U.S.\$5,000 nominal of the Notes will be U.S.\$55,55 and in respect of U.S.\$250,000 nominal of the Notes will be U.S.\$6,797.50.

January 16, 1992, London By: Claibank, N.A. (CSSI Dept.), Agent Bank

**CITIBANCO** 

#### Postipankki Ltd US \$50,000,000

**Subordinated Floating Rate** Notes Due 2000

For the interest period 15th January 1992 to 15th July 1992 the Notes will carry an interest rate of 41/8 per annum with an interest amo of US \$110.59 per US \$5,000 Note, payable on 15th July 1992.

Bankers Trust Company, London

Agent Bank

**Appointments Advertising** appears every Wednesday & Thursday

Friday

(in the international edition only)

X X X XOX XOX OX OX OX OX	Bond Futures Fax - FREI from Chart Analysis Ltd 7 Swallow Street, London W18 7HD, UK - Interest rate specialists for over 22 years	E 2 week trial  psi Anne Whitby Tei: 071-734 7174 Fax: 071-439 4966
--	--	---



... FTSE 100 ... S & P 500 ... IF YOU HAVE A VIEW, TAKE A POSITION CONTACT: ADMAN FRANCIS ON 671-245 8668 ECU FUTURES PLC, 29 CRESTAM PLACE, SWIX SHIL DAALING HOURS FROM 8.00 AM TO 9.15 PM



UK ECONOMIC INDICATORS

#### Daewoo Heavy Industries Ltd. US\$ 40,000,000

3 per cent. Convertible Bonds 2001

#### NOTICE OF CONVERSION PRICE **ADJUSTMENT**

Wort' dated 20th November, 1991.

# UNITED PAPER MILLS

**Due 1995** Notice is hereby given that the Rate of Interest has been fixed at 4.4% and that the interest payable on the relevant interest Payment Date July 16, 1992 against Coupon No. 5 in respect of US\$100,000 nominal of the Notes will be US\$2,224.44.

January 16, 1992, London By: Citibank, N.A. (CSSI Dept.), Agent Bank

#### INTERNATIONAL CAPITAL MARKETS

# Overseas interest drives up prices across Europe

By Sara Webb in London and Patrick Harverson in New York

EUROPEAN government bond markets yesterday showed strong gains, helped by overseas buying interest, particu-larly in the five-year sector. Traders reported outright buying in Germany, France,

Spain, Denmark and Sweden, with investors anticipating interest rates cuts in these bond markets. Activity in the German government bond market was fairly volatile, but the Liffe

bund futures contract closed higher on the day, having reached a significant resis-tance level. The Liffe contract opened at 88.30, and moved between a low of 88.17 and a high of 88.47 before closing at Traders said bund prices

rose on news that the Bundes bank injected DM7.3bn of liquidity into its money market operations yesterday. At its allocation of 35-day and 63-day

#### **GOVERNMENT** BONDS

98.2 98.4 98.3 98.1 97.8 98.0 97.9 97.9 88.1

Base rate %

91.8 91.4 91.7 94.1 94.2 91.7 96.2 96.2 96.2 91.0 91.6 91.6 91.6

ments, the Bundesbank allo-cated more liquidity than had been expected. Traders said this could be taken as a sign that the Bundesbank wants to

The French market also showed strong gains, with the Matif futures contract reaching a high of 109.12 on heavy volumes. The contract traded between a low of 108.86 and closed at 109.08.

**■US TREASURY prices were** mixed in active trading yesterday morning. The short end was weaker amid dwindling hopes of further interest rate cuts, while the that the Treasury may reduce

BENCHMARK GOVERNMENT BONDS Price Change Yield 12.000 11/01 114.6109 +0.546 9.68 9.42 AUSTRALIA 9.000 08/01 102.1000 ÷0.250 8.65 8.73 RELGIUM 8.500 04/02 102,5000 +0.200 8.13 7.95 8.48 9.000 11/00 103.0750 +0.300 8.48 8.59 8.84 99.2927 +0.303 106.7700 +0.360 8.57 8.39 8.90 6.53 FRANCE BTAN 8,500 11/98 9,500 01/01 102.2700 +0.150 7.90 8.01 8.20 8.25 09/01 12.26 12.44 +0.330 ITALY 95,7511 -0,150 105,7642 -0,242 5.55 5.32 8.87 8.46 8.69 11.40 11.51 11.72 9.76 9.56 9.54 9.57 8.28 9.35 +0.125 +0.344 +0.438 9.71 9.56 9.24 10.000 11/98 10.000 02/01 9.000 10/08 7.01 7.53 6.75 7,38 7.500 11/01 103-14 +2/32 8.000 11/21 105-17 +3/32

its issues of longer-dated By midday, the benchmark 30-year government bond was up 1 at 1051 yielding 7.525 per cent. The two-year note at the

same stage was down it at 100, yielding 4.982 per cent.

After four days of consecutive declines, the long end of the market was aided by comments from Mr Wayne Angell, one of the Federal Reserve governments are substituted in a telephone. ernors, who said in a television interview he would not be

There has been speculation recently that the Treasury might cut its long bond issues to force down long-term interest rates and flatten a yield curve that has remained

unhelpfully steep.

Lower long-term rates would bring down mortgage rates and help stimulate economic activity. Mr Angell's comments represented the first semi-official word from the Fed, and indi-cated that the idea of curtailing long bond issues is being

■UK GOVERNMENT bond prices gained up to half a point. They were halped by sterling stability in the foreign exchange market and the strong lead from other European hund markets. pean bond markets.
The benchmark 11% per cent

gilt due 2003/07 rose from 1154 to 1154 to yield 9.44 per cent by late afternoon. In the futures market, the Liffe gilt contract rose from 97.04 to reach a high of 97.15 before falling back to 97.11 on a vol-ume of over 35,000 contracts.

against trimming the size of 30-year bond issues if it was eco-Traders said market senti ment was also helped by an opinion poll released yesterday which showed the Conserva tive party one point ahead of the opposition Labour party.

THE strengthening of the dollar against the yen pushed Japanese government bond prices lower in London trading The yield on the benchmark No 129 JGB moved from its opening of 5.365 per cent to 5.4 per cent as the yen weakened from 126.50 to the dollar to 128.70. The Tokyo market was closed for a public holiday.

# Plans for Spanish rating agency

STANDARD and Poor's, the US rating agency, and several Spanish organisations plan to establish an agency in Madrid to evaluate the full range of debt issues in the domestic

Spanish capital market, Reuter reports from London.

The group also includes the Madrid, Bilbao and Valencia stock exchanges, Instituto de Credito Oficial (ICO) and Compania Española de Seguros de Credito a la

ALBERTA PROVINCE 9 3/8 95
AUSTRA 1/2 00
BARK OF TOKYO 8 3/8 96
BELSLIM 9 5/8 98
BETS 7 3/4 97
BBP 8 3/8 94

EIR 9 11/4 97
ELET DE FRANCE 9 98
ELITO DE FRANCE 9 98
EURO CRED CARD 157 9 94
EUROFEMA 9 11/4 96
EXPORT DEV CREP 9 11/2 98
FINEASM EXPORT 9 3/8 95

EDI ELEC CAPITAL 9 346 96

GIANCES I SE 96

GIANCES I SE 96

GIANCES FRIANCE 8 97

EBM INTL FIN 7 344 94

IND SK JAPAN FIN 7 7/8 97

INTER AMER DEV 7 5/8 96

INTALY 8 1/2 94

JAPAN DEV 8 K 6 94

KANSAN ELE P 396 10 96

LTCS FIN 8 97

NIPPON CRED BK 10 3/8 95

NIPPON CRED BK 10 3/8 95

NIPPON TELS TEL 9 3/8 95

ONTARIO 8 1/2 01

OSTER KONTROL JAANK 8 1/2 01

PETRO CARADA 7 1/4 96

QUEBEC HYDRO 9 3/4 98

QUEBEL PROV 9 98

SARKEBURY 9 1/8 96

SAS 10 99
SBAB 9 1/2 95
SHLE 9 1/2 95
SHLE 9 1/2 96
SHLE 9 1/2 96
SWEDISH EXPORT 8 3/8 96
TOKYO BE EXPORT 8 3/8 96
TOKYO BE EXPORT 8 3/4 95
WORLD BALKE 8 3/8 99
WORLD BALKE 8 3/8 97
XERDX CREPW 8 3/8 96

DEUTSCHE MARK STRAIGHTS BAPROVER II 1.8 95 BK EGOR USSS 7 96 BK EGOR USSS 7 96 CZECH OBCHODNI BANKA 10 95 DEUTSCHE FIRANCE 7 1/2 95

SWISS FRANC STRAIGHTS ASIAN DEV BANK 6 10 ALISTRIA 4 5,8 98 CRUBN ELET POWER 6 3,44 91 COUNCIL EUROPE 4 3,44 98 FEES 10 00

YEN STRAIGHTS
AUSTRIA 4 3/4 94 ....
CREAT FORCIES 5 1/4 94 ...
DEMMARK 7 95 ....
EIS 4 5/8 94 ....
ELEC DE FRANCE 5 5/8 96 ...

Exportacion (Cesce). S&P hopes to launch the rating agency in the summer or early autumn. It said it was unable to provide details about the capitalisation of the new agency or the breakdown of shareholdings.

FT/ISMA INTERNATIONAL BOND SERVICE

The new agency will assess the bonds and commercial paper programmes of corpora-tions, financial institutions, utilities and local government authorities, as well as

4444

OTHER STRAIGHTS
BAYERSCHE VERGIS BIT 794 LF;
COPERIAGEN TEL 856 % LF;
WORLD BANK 89 LF;
WORLD BANK 81 11 89 LF;
WORLD BANK 11 18 95 LF;
WORLD BANK 11

FLIGATING RATE N
ALLIANCE ALERS LOB
ALLIANCE ALERS LOB
BAND SOMA LOD SIG.
H-1, 13.7 BFCE-10.296
H-2, 11.57 BFCE-10.296
H-3, 11.57 BFCE-10.296
H-4, 11.57 BFCE-10.296
H-5, 12.57 BFCE-10.296
H-6, 12.57 BFCE-10.296
H-7, 20
BENDARK-1, 20
BENDARM-1, 20
BENDARM

IRELAND 90
ITALY 90
ITALY 90
LEDIS PERMANENT 1/8 96
LLOYOS BANK 1/10 PC R\* 5.3
MITSUI FIN ASIA 1/8 96
MORGAN LIP) 1/4 97
MALY WEST FIN 5/16 05
REME 90
STATE BR WESTGRAD 0.05
99
URRITE MERICAN 0.05
99
VORKSMIRE BS 1/10 94 5

VORKSMIRE BS 1/10 94 5

structured financings. Mr Antonio Zoida Martinez vice-president of the Madrid Stock Exchange, said: "The introduction of ratings in Spain is a necessity which has been recognised for some time, both by issuers and investors,

to clarify risk levels for debi The partners have signed a letter of intent, but the transaction is subject to a definitive shareholder's agreement.

11/10 11/10 12/10

848007750771467750750770077145755

Com., price Bid Offer Pros. 238 126-5, 128-5, 128-5, 106-107 127.05 205.12 69-5, 105-5

THE St George Building Society, Australia's largest non-bank savings and loan

St George, with assets of about A\$9bn, (US\$6.6bn) will

A banking licence would give St George improved

"We have been operating like a bank and competing against the major banks for

He said he had spoken to the RBA, and expected St George to begin banking operations on July 1. "I have every indication that I should be confident to be called." deut," he said.

has helped protect it from the bad debts incurred by many Australian banks through cor-

the exchange's decision to exempt building societies from regulations requiring share-holders' voting power to be proportionate to the number of shares held.

other mutually owned finan-cial institutions to maintain provisions in their articles of association providing for one vote for each member.

ment, capitalising the society at A\$690m. St George reported interim net profits of A\$20.8m for the six months to the end

building societies to show interest in applying for a banking licence after the suc-cessful transformation of the New South Wales Permanent into the Advance Bank of Aus-

tralia in 1985. Bank of Melbourne, Perth's Challenge Bank, and Metway

Investment firm hires Continental Bank team

Company to

orther sa

HEW IN

28 33.425 28.83

hs head lea

FT-4

y conferenciation weight age

With Chorps

I SUB-SECTION'S

174. 2. 4

JFL XXX

ABAMA Men Nation

True of the

12 PM 1 (1740)

10 3cm 25 00.

\$3.-...

The arm

Jun 1224 ....

Jack : wal . 3.

Can and

A 18 18 18 18 18 18

PIXED INTERNE

وعهة

19

23-1

Salara Valle

inerge inerge

By Simon London

BERKELEY Govett, the US fund manager best known for investment trusts under the John Govett name, has posched a team of institu-tional fund-raising specialists from Continental Bank.

Berkeley Govett has \$60n equivalent under management and is quoted in London with and is quoted in Louseau with a market capitalisation of around £100m. Its latest recruits comprise the private equity group formerly with Continental Bank in London. The team includes Mr. John Hess, Mr. John Lowing and Mr. Ion Simpson. Ian Simpson.

The team raises capital from European institutional inves-tors for specialist funds. This can be for outside fund managers, such as work on Fidelity's quoted Latin American Capital

The team also develops inde-pendent projects, such as the syndicate of investors gath-ered to back property develop-ment in Berlin.

It will now be developing funds under the Berkeley and Govett names and will continue to raise capital for outside fund managers. The departure from Continental means further shrink-age of the London operation of the US bank. Like many other US financial institutions faced with difficult market condi-

tions at home, Continental has

been aggressively "down-sizing" international sizing Offices in Hong Kong, Singapore, Taipel, Paris, Frankfurt and Brussels bave closed. While London will remain Continental's primary Euro-pean base, the number employed has fallen from 400 to a target level of "below

#### **Savings** institution to apply for bank status

By Kevin Brown in Sydney

institution, yesterday said it planned to apply for a banking licence and a full listing on the Australian Stock Exchange

become Australia's sixth largest bank if the application for a licence is approved by the Reserve Bank of Australia (RBA) and the society's members.

access to the inter-bank pay-ments system, and lower its cost of fands by bringing it under the direct supervision of the RBA.

many years. We believe that our members and shareholders are now entitled to the benefits that banks have," said Mr Jim Sweeney, managing direc-

St George said it would con-tinue to concentrate on its res-idential loans business, which

Australian banks through corporate lending activities.

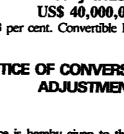
The society is based in Sydney, but recently expanded into Victoria through the acquisition of the Victorian Savings and Loan Society, based in Ballarat. Further expansion into Queensiand is likely if the society is awarded a banking hierace.

St George's application for a full listing on the ASX follows the exchange's decision to

The change of rules will allow building societies and St George shares were trad-

ing at A\$7 on the unlisted market before the amounceof November, up 3.6 per cent on the comparable period of the previous year. St George was one of several

Bank in Brishane also once traded as building societies.



Notice is hereby given to the holders of 3 per cent. Convertible bonds 2001 of Daewoo Heavy Industries Ltd. that in accordance with the terms of the Trust Deed dated 23rd May. 1986, the conversion price was decreased from Korean Won 10,124 to Korean Won 9,592 per share effective 30th November 1991. This adjustment had resulted from the issue of new Shares, on which the details were published in 'Financial Times' and 'Luxemburger

Daewoo Heavy Industries Ltd.

US\$ 100,000,000 Floating Rate Notes

CITIBANCO

OTES: Denominated in dollars unless otherwise indicated month schove mean rate) for US dollars. Cops = The curr. OS: Denominated in dollars unless otherwise indicated, conversion rate fixed at lesse. From = Percentage premise I price of the abanes. The Financial Times Ltd., 1992. Reproduction in whole or in part in any form not parmit Outs supplied by international Securities Market Association.

OBJECT 6 (2) SMITH & REPHEW 402 E SUMITORIO BANK 3 1/804 TEXAS INSTRUMENTS 2 3/4 02 THORN EM 5 3/4 04 E

#### INTERNATIONAL CAPITAL MARKETS

# Further supply of dollar paper saturates market

em in the last later complete. The

1 JANUARY

pon Logge

idea pri legi de la compania del la compania de la compania del la compania de la compania del la compania

CHE also and the projects, and lite of investigation in Review. It may be the conductive for the Review ander the Review.

names and a rahe capital in transport in the capital in transport in the capital in transport in the capital in

he Louise see hank. Like no notal instant mike the house, Carle house, Carle house, Carle house, Carle in the carle house, Carle in the carle in the

strei, Pais de

London di a

n(al's prima)

ये ह्या श्रीकृति

ings

itution

1 George E Anstralia

f rarisp d GE MENERAL le apply list

COURT OF

TO THE PROPERTY OF THE PROPERT

AS a further supply of paper continued to emerge yesterday, despite increasingly confused ylaws on the direction of the

views on the direction of the Treasury market, the dollar sector of the Eurobond market began to look saturated.

The US Treasury bond market appeared to find support at a yield level just above 7% percent on the long bond, suggesting that the market may have undergone a correction which is now complete.

However, a tally in Treasury

s now compace.

However, a rally in Treasuries at this stage, with spreads at such tight levels, would be likely to force spreads to widen. Even if the Treasury market steadies, spreads are likely to widen, because of the heavy supply of paper," one head of syndicate said.

Not only has the excess appetite for dollar securities at the start of the year been filled, but many bond desks are now holding substantial amounts of recently issued paper which has not yet been placed. In addition, the quality of new issues has begun to faiter.

BOTTOWER BE DOLLARS KFW Int. Finance Inc.(a)?

Relaba int.Finance(a)† Fignish Export Credit(a)† Kommunalmadit(a)†

-D-MARKS Union industrialle d'Cradit(s)†

MR SIMON THORP, the head

of glit-edged securities trading at Salomon Brothers Interna-tional in London, left the com-

pany yesterday, writes Sarah Webb.

Petrobus(a)† ABB int.Finance(a)†

## INTERNATIONAL

For most of the six further ror most of the six further new issues totalling \$1.3bn in the market yesterday, demand was decidedly slack. Spreads in some of the more tightly-priced issues showed signs of widening: the spread on Credit Local's 10-year deal shifted to 33 basis points from 28 basis points at launch, while Denusark's five-year deal has widened from 20 to 25 basis points. ened from 20 to 25 basis points

over the curve. Of yesterday's new issues, corporate and financial names generally met weaker damand. Dealers said there was little incentive to buy a \$200m issue of four-year bonds for ABB International, the Swiss-Swedtah engineering group, priced to yield 50 basis points over the interpolated yield curve. Lead-manager Morgan Stan-

ley International reported strong demand in Switzerland,

but most traders said the issue

**NEW INTERNATIONAL BOND ISSUES** 

100.52 101

101,425

1013

100

101万

101월

trading desk. No reason was given for Mr Thorp's

departure. Salomon Brothers, a market-

maker in gilt-edged securities, made a pre-tax profit of 28.38m in 1990 on gilt operations with a capital base of 259m at the

Webb.

The company said Mr Thorp has been replaced by Mr Andrew Duthie and Mr Robie Yuniacke. They will act as joint heads of the gilts hit by a wave of staff departure.

2002

1999

1012

84

Gilts head leaves Salomon Brothers

was too aggressively priced. Kommunekredit, a Danish financial institution which tapped the market for the first time yesterday, also proved hard to place. The deal was considered aggressively-priced for a virtually unknown name.

A \$300m issue of 15-year bonds for KFW Internation the German financial institution, is expected to fare rather better because of the strong credit of the government-

Elsewhere, a matador issue for Bancomert, a Mexican bank guaranteed by the Mexi-can government, met strong demand, and was quoted at its par issue price. The deal is the first matador deal for a Mexican borrower other than the

owned borrower.

Meanwhile, the European Investment Bank continued its heavy schedule of issuance with two more deals, in the wake of its two offerings on Tuesday. The RIB launched a L500bm issue of 10-year bonds and a Skr1bn offering of seven-year bonds.

40725bp Destrictive Bk Gap Mikts.
11/2 CSFB
15g Morgan Stanley Int.
15g/1.425 Morgan Int.
11g/13g Nomura Int.
17g/13g Nomura Int.

15g/13g Skandingviska Ensk.Bkgm

13,715 Sco.Sentender d'Negocios

13/14 Monte del Paschi d'Siena

tures - both enforced and vol-untary - in recent weeks. Most of these, however, have

been on the equity side. However, on the fixed income

side, Mr Simon Meadows, the firm's head of bond

syndication, resigned last week to join Credit Suisse First Boston as co-head of debt syn-

24/12 NordLB

"Underlying and vital to these new developments would be the provision of a modern infrastructure such as a centralised electronic clearing system, including an auto-matic trade matching and exe-cution system," he said. Mr Lee, is a lawyer and has been the convener of the

# chairman of **HK Stock Exchange**

By Simon Holberton in Hong Kong

HONG KONG'S broking community yesterday signaled its desire for a calmer life when it unanimously elected Mr Charles Lee Yeh Kwong chairman of the Hong Kong Stock Exchange.

Mr Lee, 55, is an independent member of the stock Stock Excha

dent member of the stock exchange's council, and takes the helm after a tempestuous year which witnessed confrontation with the Securities and Futures Commission, the colony's financial watchdog.

After a long battle, the SFC forced the exchange to change from a club run for the benefit of small Chinese brokers to one that represented a broader range of broking interests and the public.

the public. One council member said after the meeting that it was reassuring that Mr Lee was elected unanimously. He had shown that he could garner support from both the inde-pendent members of the council and, importantly, from the local Chinese brokers. After his election last night

Mr Lee struck a conciliatory note. He said the business of the exchange was to protect the interests of the investing public, and he aimed to work closely with the SPC and oth-ers in the tasks that lay ahead. Mr Lee said the council looked forward to the development of Hong Kong markets in 1992 with the planned introduction of financial products such as traded options, short selling and other hedging

exchange's listing committee since October 1990 and a mem-ber of the exchange's council since October 1937. He is a director of more than 20 listed companies. Mr Kwan Cheong Yiu and Mr Alex Wu Shu Chih were elected first vice-chairman and second vice-chairman shift." He feels investors with long-term exposure will seek a

# Lee elected Commodities business faces threat

A LEGAL wrangle between the London Clearing House and several banks is threatening to disrupt the financing of com-modities business in London. As a result, talks have been held between the clearing house, banks and exchanges over whether changes to the settlement arrangements are necessary to encourage some banks to continue to provide finance to the markets.

The dispute arises out of the collapse a year ago of Woodhouse Drake & Carey (WDC), a medium-sized London commodities trader. Some banks which financed WDC's trades are in dispute with the clearing house to recover assets over which they claim to have security. Separately, the clearing

house is in dispute with castomers of Woodhouse Drake & the banks involved are house's actions meant that cli-Carey (Commodities), WDC's futures broking subsidiary. who are also trying to recover assets which were held up in the clearing system.

Mr David Hardy, LCH managing director, said the dispute arose out of a "failure of some banks to understand how delivery of commodities takes place in London". in London". Once commodities pass into the clearing system, any security interest of a bank over them lapses, he said.

However, some banks which
lent money to finance WDC
trades, taking in return secu-

rity over the commodities con-cerned, are attempting to enforce their security interest. While the dispute continues,

advancing more money to commodities businesses.

Mr Hardy said talks had been held to explore ways of meeting the banks' concerns over the way the settlement system operates. "Maybe you could find a way to recognise their interest," he said. Meanwhile, the clearing

house is being challenged over its decision to use assets belonging to Woodhouse cli-ents to offset liabilities of the failed group, rather than bank guarantees which had been given for the purpose.

Mr Harsh Kumar, whose

company, Afexp Commodities, stands to lose about £300,000 as

ents of London commodity brokers could no longer rely on recovering their assets once in

the clearing system.

The clearing house is propose ing to meet Woodhouse debts by applying some of the £1.2m of Woodhouse clients' money

The decision to use client money comes in spite of the fact that the clearing house holds E3m, representing guar-antees pledged by banks to cover Woodhouse's trades. Under the LCH proposal, this money would be returned to the banks, even though the guarantees were specifically given to meet any liabilities of Woodhouse to the clearing sys-

# Fears for future of long bond trade

Barbara Durr finds the CBOT uneasy about possible Treasury moves

¬ he idea floated by Washington to curtail issuance of 30-year Treasury bonds has drawn heavy fire from the Chicago Board of Trade (CBOT), the world's largest futures exchange.

Futures and options based on the US long bond accounted for about two-thirds of the exchange's 1991 trading volume. The CBOT believes a halt of 30-year bonds by the US
Tressury would "cripple" it.
Exchange officials and some
bond market experts say that with fewer Treasury bonds, or without them altogether, investors could move into other derivative instruments to hedge interest rate exposure. Tressury bonds are currently the world's most actively traded security, and they are considered the benchmark against which all other dollar-

enominated long-term instruments are measured. While some believe that the CBOT's trading, generated by investors speculating on inter-est rates or using the futures market to hedge, will switch in the event of a halt in long bond issuance - into its futures and options in the lower maturities of two-year, five-year and 10-year Treasury notes. Mr Thomas Donovan, the exchange president, said: "I don't think a lot of it will long-term hedge.

An announcement about the possible curbing of sales of the long bond is expected before the quarterly refunding of US government debt on

February 5.
The idea of cutting back on long bonds surfaced last month when Mr Nicholas Brady, the Treasury secretary, told a congressional hearing that his department was "taking a look at the question of whether the Treasury should stop issuing long-term bonds."

Some academic and business economists, including Mr Martin Feldstein and Mr Henry Kaufman, say that switching government funding to shorter maturities could save the US government as much as \$1bn or more a year in interest payments and help stimulate the stagnant US economy.

By decreasing the supply of long bonds, supporters say, their price would rise and their yield fall. Currently, the yield curve from short to long maturities is very trees. With a tent to better diff. steep, with a top-to-bottom dif-ference of more than 3 percentage points: with the yield on the long bond currently at about 7.5 per cent. If long bond yields declined, proponents argue, mortgage rates, which are calculated by long-term yields, could also fall, freeing

up more consumer spending.

Those opposed, such as Mr Robert Giordano, chief of economic research at Goldman Sachs, say that eliminating long bonds would be a mistake. He says the effect on long-term yields is likely to be minimal and, consequently, the savings for the US government would be trivial in the larger scheme of high federal deficits and government debt worth \$3,000bn.

Moreover, Mr Giordano and other opponents argue that the government would subject itself to the vicissitudes of short-term interest rates and possibly end up squeezing businesses out of the shorter-term market, where they typically finance themselves.

Eliminating long bonds altogether looks a less likely option than curbing their issuance, Some \$50bn had been expected to be issued during the next 12 months. Mr William Griggs of Griggs & Santow, a New York investment advisory firm, said: "The

feeling in the street is that they will cut back by \$2bn to asy refunding."

Given that most of the CBOT's futures and options trading is built on new or current issues, even a curtailment worries the exchange. Hedging and arbitrage activity is heavi-est in the futures market at the

time of, and immediately fol-lowing, issuance, though port-

LONDON TRADED OPTIONS

folio turnover provides some trading volume after that time. The exchange, which has sig-nificant political clout, has been lobbying against the move. Not only did it fire off a letter of protest to Mr Brady. Rostenkowski, the powerful chairman of the House ways and means committee.

Such concern is uncalled for, however, according to Mr Richard Sandor, managing director of Kidder, Pea-body. As the former chief econ-omist for the CBOT, he designed its Treasury bond futures contract. He said: "A diminution of supply will not necessarily dampen activity in the futures market."

activity is driven into the two-five- and 10-year Treasury notes - and more of them will have to be issued to make up for a decrease in 30-year bonds volume at the exchange

could actually pick up.
The CBOT already has expe rienced significant growth in its trading of futures and options based on lower maturity Treasury securities over the last year. For example trading in five-year Treasury tracts grew 34 per cent and 48 per cent respectively over 1990. Nonetheless, exchange offi-cials are concerned.

#### **LONDON MARKET STATISTICS**

FT-A	CTU	ARIE	S SI	IARE	INE	CE	5			
O The Financial Time				•						
in conjunction with the	e insti	parte o	f Act	aries	and t	e Fac	uity o	f Actu	aries	
EQUITY GROUPS	· W	Wednesday January 15 1992						Men Jau 13	Fri Jan 10	Year ago (agorox)
<b>4. SUB-SECTIONS</b> Figures in parentheses show number of	index No.	Day's	Est. Earnings Yield% (Max.)	Gross Div. Yield% (Act at	Est. P/E Ratio (Net)	rd adj. 1992 ta date	index Ro	Index No.	ladez -	jadex No.
stocks per section		Change %	(max.)	(25%)	uecu .	- Galle	100.		NO.	
1 CAPITAL GROBS (178)	762.22 897.96		8.95 7.75		14.29 17.47	0.19		744,72 878,94	739.74 872.32	675.31 911.64
3 Contracting, Construction (29)	836.43		9.60		15.00					1051.90
-4 Electricals (7)	2433.47	+1.1	10.20		12.32	0.00		2397.82	2401.82	1862.11
5 Electronics (26)	1683.74	-0.5	10.96			0.41				1478.08
6 Engineering-Aerospace (8)	346.41	į +1.0	15.59		7.81	0.00		336,84		380.48
7 Englesering-General (43)	475.19	+1.2	10.08 2.25	5.24 11.18	12.24	0.84	469.71 306.75	464,69 302.26	464.64 295.34	347.38 381.44
-, -9 Motors (13)	287.21	+2.4	8.97	8.30	14.81	0.00		280.07	277.78	266.43
· 10 Other Industrial Materials (19)	1585.68	+1.3	7.59		15.67	0.00	1565.96	1539,08	1524.43	1147.76
21 CONSUMER CROUP (198)	1646.08	+0.4	7.08	3.36	17.38	1.53				
22 Brewers and Distillers (23)	2047.90	-0.1	8.13	3.46	14.92	7.92		2029.10 1233.53	2028.03 1226.41	1527.86 1013.60
25 Food Manufacturing (J.f.)	1246.37	+0.7 +2.4	8,65 9,15	4.07 3.43	14.28 14.20	1.03	1237.64 2359.11	2330.86	2293.80	2263.08
26 Food Retailing (17)	4449 21	1 701	130	2.10	23.46	0.35	4654.94	4651.04		2454.93
29) Hotels and Leisure (24)	1235.63	-0.6	8,07	5.45	15.31	0.00		1242.29	1231.20	1116.68
30 Media (23)	1458.03	+1.3	6.63	3.68	18,88	0.91			1419.78	
31 Packaging Pager & Printing (17)	765.66	+0.5	6.92	4.34	17.52	0.00	761.76	745.87	746.06	486.96
. 14  Stores (32)	988.71	+0.9	7.43	3.76	17,84 16,43	0.23 0.00	980.08 598.88	962.17 601.14	954.27 602.02	786.02 400.98
35 Textiles (10)	595.23. 1203.79	-0.6 +1.6	<i>1.77</i> 10.07	5,22 5,53	10.43 12.52	5.01	1184.33	1174.30	1181.06	961.05
	1438.50	+21	6.98	4.56	18.72	0.00	1408.48	1406.12	1385.12	
	1416.26	#13	7.13	517	17.34	0.19	1398.41	1394.19	1392.40	1004.01
#3 Constantes (17)	1324.00	+1.7	11.37	7.83	10.68		1302.23	1276.15	1275.07	<u>1217.37</u>
44 Transport (24)	2392.77	+0.8	5.36	4.72	24:55		2374.28	2335.06	2322.34 1156.75	
	1150.19 1393.18	+23 +1.2	15.77 11.26	6.46	8.25 11.59	11.22 15.96	1124.48 1376.52	1125.02	1388.29	995.03
46 Telephone Networks(4)	2253.22	+2.3	18.95	4.50 7.06	5.83	0.00	2202.48		2228.20	
	2861.54	42.4	5.34	5.25	25.75	0.00	1817.17		1777.65	
	1281.80	+0.9	8.32	4.53	15.02	2.32	1270.64	1259.35	1255.40	991.97
51 08 & 62 (19)	2195.22	+0.7	11.66	6.39	11.35	0,00	2179,88	2137.44	2112.52	2206.75
	1363.29	10.9	8.70	4.74	14.49	2.19	1351.68	1338.06	1332.58	1092.04
AT STRANGTAL CHORD (87)	707.97	+1.1	-	6.58		0.80	700.10	<i>₩</i> 77.96	698.72	667.36
		+2.3	4.57	6.29	42.35	0.00	825.48	825.54	828.96	700.61
65 Insurance (Life) (6)	1424.90	+0.7	' - 1	5.99	- 1		1414.69		1405.61	
66 Instrume (Composite) (7)	498.92	-13		8.74		0.00	505.38 972.60	497.70 958.99	492.44 953.77	572.52 937.53
67 Insurance (Brokers) (10)	992,95 450,68	+2.1	7.79	6.73 4.76	16.89	0.00	449.95	449.31	452.29	327.70
68 Herchant Banks (7)	765.07	10.5	7,17	6.03	19.86	0.00	760.62	761.42	768.57	926,54
70 Other Financial (14)	234.38	+0.9	11.38	7.62	11.08	9.00	232.24	232.61	232,67	236 <u>.37</u>
	1192.91	+1.3		3.64	- 1	0.38	1177.64	1166.59	1166,17	947,19
99 ALL-SHARE INDEX (655)	1208.07	+0.9		4.93		1.67	1197.28	1186.22	1182 19	987.46
	index No.	Day's Chance	Day's High (a)	Day's Low (b)	, pag 14	Jas. 13	Jan 10	Jæ6 9	Jan 8	Year age
	2537.1	+20.8		2536.4	2516.3	2490.1	_	2497.9	_	
FT-SE 100 SHARE INDEXA	וראכד	+20.5 I	. <u>23</u> 0.71	<b>230.</b> 41	احمددع	2470,11	2777.31	2477.71	210,21	

÷.		ا م	NTE	RES	ř			AVERAGE GROSS REDEMPTION YIELDS	Wed Jan 15	Tue Jan 14	Year ago (approx.)
	PRICE INDICES	West Jan 15	Day's change %	Tue Jan 14	Accrued Interest		1 2	British Government Low 5 years Company 15 years	8.85 9.25 9.25	8.90 9.34 9.34	10.14 10.18 10.22
í	Aritish Consument Un to Syears (26)						4 5 6	Medium 5 years	9.66 9.34 9.28	9.78 9.43 9.36	10.97 10.55 10.37
9	5-15 years (27) Ones 15 years (8) Intelectables (8)	146.34	+0.77	136.11 145 <i>.2</i> 2 159.80		0.38 0.00 0.00	8	High 5 years	9.89 9.42 9.34 9.48	9.98 9.52 9.44 9.56	11.11 10.72 10.51 10.36
	All stocks (67)	1.74				0.35	11	irredecessables	3,99 4,32	4.02 4.33	3.83 4.21
7	Up to 5 years (2) Over 5 years (9) All stocks (21)	1 <b>48.98</b> 150.51	10.15	148.76	1.07 0.65 0.71	0.00 0.27 0,23	13 14	inflation rate 5% Over 5 yrs. Inflation rate 10% Up to 5 yrs. Inflation rate 10% Over 5 yrs.	3.39 4.15	3.42 4.16	2.59 4.04
9	Date & Lang (42) .		+0.35	116.08	2.57	0.09		Beis & Syears Lease 15 years 25 years	11.05 10.68 10.71	11.10 10.93 10.75	12.55 12.34 12.14

iritish			_									
	Fund	S				·····	R	ises 74	Fa	ılış Ç	•	Same 7
ther F	xed	otes	t					477	1	1 47		9 868 431
icenci II & G	al & 1	Prope	r <b>ty</b>					313 32	_	48 12		431 47
lantat iines	ions.					,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		0 67		9		10 76
thers								93		2		46
Tol	lais			•••••••		**********	1,0	064	2	19	1	494
_				OND	ON R	ECEN	T ISS	UE	8		_	_
QU							_	_			_	
Micz	<b>*</b>	Lateri Resunc Date	High	991/92 Later	1	Stock	Closing Price	+97	Dia 附	Times Cov's	Yield Yield	P/E Ratio
=		Ξ	设	影	BIR Warry Baithe Galf	ants 1995/96 ford Jap Worl for Non-Vog	_ 63 5. 118 fi 425	#3 #3	=	E	Ξ	Ξ
335 140	瓣	Ξ	SE S	195 195 190 190 190 190	1 SM 101 (C	COR 100	150	+3 +5	133	섌	5.2 4.4	9.9 11.6
<u> </u>		=	3	238 238 88	Burn Stew Butte Misi Capital lad	ag Wrrats ustries 1 <i>g</i> 1°91 Wrats	-  <u>#</u>	+5	} =	] -	=	\ <u>-</u>
<u></u>			275922.45	## 20	Friedly Es	ro Values	273 91 22 25 25 25 25 25 25 25 25 25 25 25 25	+1	] =	1 =	<u>=</u>	<u>-</u>
=		=		26 X X 25	Fleoring Ja	otte Winnes . pacese Winn	s. 2	+1	ءِ ا	اجوا	I -	,=
	镁	Ξ	遊場	盛	Frest Group Harrington Home Konn	Kilbride Zero Dv Pf _ cc & Appr. 1c	湿		120 945	124	0.9 4.8	쨞
205		=		<u>孫</u>	ا من مانت ۷ (8) سمیا	nc & Appr. 1c	24		{ =	] =	=	[ -
- 60 50	FP. FP. FP. FP. FP.	ΞΙ	4 59 33	3	Lawr (3) W Martitrest Martitrest Martitrest	WATERS 1508725 of Constant C	5 5	-2	=		=	102
<u>2</u> 60 ∤	铙	Ξ	1051 <sub>2</sub>	號	St. Dentis i Willia Group	of Cornbill 5 Zero Div Pf Wrotes	10512	+1	<u>=</u>	=	Ξ	- - -
base Price		eesili	آ ہیں				STO	-Ali		Chr	in I	
10p 100 100p	Pa		ated count Data	High 1075	1/92 Low 89 9874 1000		Stee	ŧ		_  109	-   	+#
10p 100 100p	Pa	P. P.	Date	High	lo <del>u</del>	Butte Militain Cardourse I Fidelity Greenware 9. Inchespe No NacWest Bu	Stee	ŧ		100 100	10p 134 130 14p	-
10p 100 100p	F.J. F.J. F.J. F.J. F.J. F.J. F.J. F.J.	P. P.	Dada	High 1071; 1041;p 105	lo <del>u</del>		Stee	ŧ		100 100		+3½
10e 100 100p 105 310p 100p	F1 F1 F1 F1 F1 F1	P. P	Date	High 1879 1071-10 104-10 105 2450 104-	89 984 1000 1000 1879 1004 p		Stock (Set and Set and	ŧ		Pri 5	10p 53q 100 14p 13p	+3½
10s 100 100p 105 310p 100p	Para Para Para Para Para Para Para Para	P. P	Paris	High 169 1071: 1041:p 105 2459 104: R	89 9812 10000 9812 10000 1879 1879 18004 p	Bette Mitole Betrebourte in Fidelity Earn Betrebourte in Inchange Mon Nat West Ba	Stock g 10gc (Net wide, 100-ppc a, Valent So 57% Gor Me a-har, Bearing ad, 9gc Pri S  EERS	t Pri		Price	100 100 100 100 100 100 100 100 100 100	+3½
100 100 100 105 3105 1005 1005 1005 1005	Part Part Part Part Part Part Part Part	P. P	Paris	High 169 1071: 1041:p 105 2459 104: R	Low   80   98½   1000   98½   1279   1279   12004   9   12004   9   12004   9   12004   1200	Butte Mitole Cardonete I Frielity Ein Serence 9, Inchape No Nat West Re  Auglo bitch  Auglo bitc	Stock g 10gr (Net ods, 100-pp , Valers So 5% Gor M o-bat, Reari ods, 9gr Pri S  EERS  Stock	t Pri		Price	100 100 100 100 100 100 100 100 100 100	+4.
10p 100 100 100 100 100 100 100 100 100	Part Pilipin P	P. P	Paris	199 107's 104'sp 106'sp 106'sp 106'sp 106'sp 106'sp 119'sp 119'sp 119'sp 119'sp	89 9812 1000 9812 1000 981 1879 1000 1879 1000 1879 1000 1879 1000 1100 1100 1100 1100 1100 1100 11	Bette Mohe Bette Mohe Fidelity Ear Ressure 9, Inchape No Nat West Bu  Aught bttl Auristane Fioritan F Fioritan F	Stock g 10gr (Net ods, 100-pp , Valers So 5% Gor M o-bat, Reari ods, 9gr Pri S  EERS  Stock	t Pri		Pri   1   1   1   1   1   1   1   1   1		+3½
100 100 100 100 100 100 100 100 100 100	Par Pi	Add P	State   17/2   27/1   2	High 189 1071/2 1041/3 1041/3 1042/3 1049 1049 114/3 112/3 112/3 114/3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Low   Sp   9612   1979   187	Bette Monte Cambounte I Cambounte I Fidelity Eur Ressure 9 Inchape No Nat West Bu  Asspin brisk Rartskase Restlers Fi Do. to Do. Sport	Stock g 10 to Older inde. 10 to you n. Values in 5 to Care inde. 10 to you n. Values in 5 to Care inde. 10 to you Stock Earls Stock Rank	C Print Rd. Do. Do. Do. Do. Do. Do. Do. Do. Do. Do	11994 h. 2001 2001 1995 h. La	Pri   100		+32
100 100 100 100 100 100 100 100 100 100	Par Pi	Add P	State   17/2   27/1   2	High 189 1071/2 1041/3 1041/3 1042/3 1049 1049 114/3 112/3 112/3 114/3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Low   Sp   9612   1979   187	Bette Monte Cambounte I Cambounte I Fidelity Eur Ressure 9 Inchape No Nat West Bu  Asspin brisk Rartskase Restlers Fi Do. to Do. Sport	Stock g 10 to Older inde. 10 to you n. Values in 5 to Care inde. 10 to you n. Values in 5 to Care inde. 10 to you Stock Earls Stock Rank	C Print Rd. Do. Do. Do. Do. Do. Do. Do. Do. Do. Do	11994 h. 2001 2001 1995 h. La	Pri   100		+32
100 100 100 100 100 100 100 100 100 100	Par Pi	Add P	State   17/2   27/1   2	High 189 1071/2 1041/3 1041/3 1042/3 1049 1049 114/3 112/3 112/3 114/3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Low   Sp   9612   1979   187	Bette Monte Cambounte I Cambounte I Fidelity Eur Ressure 9 Inchape No Nat West Bu  Asspin brisk Rartskase Restlers Fi Do. to Do. Sport	Stock g 10 to Older inde. 10 to you n. Values in 5 to Care inde. 10 to you n. Values in 5 to Care inde. 10 to you Stock Earls Stock Rank	C Print Rd. Do. Do. Do. Do. Do. Do. Do. Do. Do. Do	11994 h. 2001 2001 1995 h. La	Pri   100		+32
100 100 100 100 100 100 100 100 100 100	Par Pi	Add P	State   17/2   27/1   2	High 189 1071/2 1041/3 1041/3 1042/3 1049 1049 114/3 112/3 112/3 114/3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Low   Sp   9612   1979   187	Bette Monte Cambounte I Cambounte I Fidelity Eur Ressure 9 Inchape No Nat West Bu  Asspin brisk Rartskase Restlers Fi Do. to Do. Sport	Stock g 10 to Older inde. 10 to you n. Values in 5 to Care inde. 10 to you n. Values in 5 to Care inde. 10 to you Stock Earls Stock Rank	C Print Rd. Do. Do. Do. Do. Do. Do. Do. Do. Do. Do	11994 h. 2001 2001 1995 h. La	Pri   100		+32
100 100 100 100 100 100 100 100 100 100	Par Pi	Add P	State   17/2   27/1   2	High 189 1071/2 1041/3 1041/3 1042/3 1049 1049 114/3 112/3 112/3 114/3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Low   Sp   9612   1979   187	Bette Monte Cambounte I Cambounte I Fidelity Eur Ressure 9 Inchape No Nat West Bu  Asspin brisk Rartskase Restlers Fi Do. to Do. Sport	Stock g 10 to Older inde. 10 to you n. Values in 5 to Care inde. 10 to you n. Values in 5 to Care inde. 10 to you Stock Earls Stock Rank	C Print Rd. Do. Do. Do. Do. Do. Do. Do. Do. Do. Do	11994 h. 2001 2001 1995 h. La	Pri   100		+32
100 100 100 100 100 100 100 100 100 100	Par Pi	Add P	State   17/2   27/1   2	High 189 1071/2 1041/3 1041/3 1042/3 1049 1049 114/3 112/3 112/3 114/3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Low   Sp   9612   1979   187	Bette Monte Cambounte I Cambounte I Fidelity Eur Ressure 9 Inchape No Nat West Bu  Asspin brisk Rartskase Restlers Fi Do. to Do. Sport	Stock g 10 to Older inde. 10 to you n. Values in 5 to Care inde. 10 to you n. Values in 5 to Care inde. 10 to you Stock Earls Stock Rank	C Print Rd. Do. Do. Do. Do. Do. Do. Do. Do. Do. Do	11994 h. 2001 2001 1995 h. La	Pri   100		+32
100 100 100 100 100 100 100 100 100 100	Par Pi	Add P	State   17/2   27/1   2	High 189 1071/2 1041/3 1041/3 1042/3 1049 1049 114/3 112/3 112/3 114/3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Low   Sp   9612   1979   187	Bette Mone Cardonnes I Fidelity Ear Exercise 9 Inchape No Nat West Bu Aughs bitch Auristine 6 Fiotra in 18 Fiotra in 18 Fi	Stock g 10 to Older inde. 10 to you n. Values in 5 to Care inde. 10 to you n. Values in 5 to Care inde. 10 to you Stock Earls Stock Rank	C Print Rd. Do. Do. Do. Do. Do. Do. Do. Do. Do. Do	11994 h. 2001 2001 1995 h. La	Pri   100		+32
100 100 100 100 100 100 100 100 100 100	Par Pi	Add P	State   17/2   27/1   2	High 189 1071/2 1041/3 1041/3 1042/3 1049 1049 114/3 112/3 112/3 114/3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Low   Sp   9612   1979   187	Bette Monte Cambounte I Cambounte I Fidelity Eur Ressure 9 Inchape No Nat West Bu  Asspin brisk Rartskase Restlers Fi Do. to Do. Sport	Stock g 10 to Older inde. 10 to you n. Values in 5 to Care inde. 10 to you n. Values in 5 to Care inde. 10 to you Stock Earls Stock Rank	C Print Rd. Do. Do. Do. Do. Do. Do. Do. Do. Do. Do	11994 h. 2001 2001 1995 h. La	Pri   100		+32
100 100 100 100 100 100 100 100 100 100	Par Pi	Add P	State   17/2   27/1   2	High 189 1071/2 1041/3 1041/3 1042/3 1049 1049 114/3 112/3 112/3 114/3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Low   Sp   9612   1979   187	Bette Monte Cambounte I Cambounte I Fidelity Eur Ressure 9 Inchape No Nat West Bu  Asspin brisk Rartskase Restlers Fi Do. to Do. Sport	Stock g 10 to Older inde. 10 to you n. Values in 5 to Care inde. 10 to you n. Values in 5 to Care inde. 10 to you Stock Earls Stock Rank	C Print Rd. Do. Do. Do. Do. Do. Do. Do. Do. Do. Do	11994 h. 2001 2001 1995 h. La	Pri   100		+32
100 100 100 100 100 100 100 100 100 100	Par Pi Fi	Add P	Plants Date  Plants  P	High 107: 107: 107: 107: 107: 107: 107: 107:	Sp 9812 1879 1879 1879 1879 1879 1879 1879 1879	Bette Minke Dersbornte i Fidelity Em Seressore 9 Inchape No Nat West Re Soft Angle Inchape No Nat West Re Angle Inchape No Nat West Re Angle Inchape No Nat Po New Yearn Totalonium Totalon	Stock  g 10 to Olde  g 10 to O	to Print Rd. Do Pr	v philips be an in the second of the second	Print 100 100 100 100 100 100 100 100 100 10		+ 3½ -1.1 + or -1.0 -1.0 -1.0 -1.0 -1.0 -1.0 -1.0 -1.0
IDs 100 100 100 100 100 100 100 100 100 10	Pa significant of the significan	Maria III	Plants Date  Plants  P	High 107: 107: 107: 107: 107: 107: 107: 107:	Sp 98% 1879 1879 1879 1879 1879 1879 1879 1879	Butte Mitolande   Cardonarde   Cardonarde   Friedrity Ean Receiver 9, Inchespe No Nat West Sa  Asspin trick Harristone - Recribers Fi R	Stock	the public state of the pu	w stylking or property of the page of the	Principle of the princi	ing in the second secon	+3½ + or +137 +137 + total district or total real. a
IDs	Pa File File File File File File File File	Maria P.	State Carlo	High 107 107 107 107 107 107 107 107 107 107	Sp 9812 1879 1879 1879 1879 1879 1879 1879 1879	Bette Minke Cardonnie i Fidelity Em Erenture 9 Inchape iko Nat West Ru  Angin trick Hartstone e Northern F Bere & Me Northern F Bere & Me Les dem Les	Stock  g 10 to Olde  g 10 to O	The Part of the Pa	1994 b. 2001 2001 1995 b. 2001 b. 1995	Principle  Transition  Principle  Transition  Principle  Transition  Principle  Transition  Principle  Transition	100 P P P P P P P P P P P P P P P P P P	+ 3% + 14 + or + 10  phal, a red on the other ot

			TIMBLE OF IN	<del></del>
Option	CALLS PETS Jam Apr Jol Jam Apr Jo	i Option	CATLLS POTS Feb May Any Feb May Any	CALLS PUTS Spiles Mar Jam Sep Mar Jam Se
Alki Lyons (*647 )	600 454 724 824 14 124 234 650 104 424 51 13 304 444 700 24 22 324 524 624 734	(1663)	650 25 39½ 49 11 24½ 34½ 700 5 19½ 28½ 40½ 53½ 63½	Midiani St. 200 24 32 5 37 5 5 9 11 1 (217) 220 14 5 22 27 13 6 18 2
ASDA	30 54 75 95 5 35 46	OIR .	420 134 24 32 84 19 22 460 2 84 - 374 444 -	National Power 150 6111/2131/2 7 8111/
(*35 )	34 2½ 5¼ - 1½ 5 40 - 5¼104	Bath Tal-		(*132.) 140 2½ 6 9 13½ 14½ 17½ Resters 1000 115 1451 170 14 273 382
Brit. Almay (*263 )	220 23 32 2 36 2 5 4 6	Carbury Sci (*449.)		(1090 1050 78½1 12 140 29½ 46½ 56½
Saski Be	240 619½25½ 4 11.16½ e-	Eastern Ele	22021%14%	R. Regree 130 12 1, 13 1, 17 4 1, 7 1, 10 (*138) 140 6 8 11 11 13 149
cham A (*963 )	ີ 850 115 133 154 ዓ. 84 14 900 63½ 93¼ 118 14 17 26⅓ 950 20% 61¼ 86५ 8½ 32½ 43¼		230 5½ 13½ - 10½ 13½ - 525 19½ 32½ - 9 21½ -	Scottish Power 100 5% 10 10% 4% 6% 10%
Boots (*436 )	420 161 <sub>2</sub> 36 401 <sub>2</sub> 11 <sub>4</sub> 9 141 <sub>2</sub> 460 1 <sub>2</sub> 13 18 241 <sub>2</sub> 271 <sub>3</sub> 331 <sub>2</sub>		50 8 224 224 22 334 364 180 13 194 22 14 44 75 200 24 84 104 11 13 17	(*100) 110 24 5½ 6 11 12 165
8.P. <b>(*296</b> )	290 144, 224, 284, 4, 7, 11 300 4 12 181, 75, 161, 201,	(°190 }		Sears 90 10 կ 13 կ 14 կ 5 6 կ 1981 100 5 8 9 6 10 կ 11 կ
British Steel 1770 )	70 IL 5 6½ 2¼ 4½ 6½ 80 ¼ 1½ 310½ 12 13	(*213.)	200 14 <sup>1</sup> , 22 <sup>1</sup> , 25 1 <sup>1</sup> , 4 6 <sup>1</sup> , 220 3 10 <sup>1</sup> , 13 <sup>1</sup> , 9 <sup>1</sup> , 13 16 240 17 <sup>1</sup> , 25 31 <sup>1</sup> , 6 15 <sup>1</sup> , 20	Forte 220 17½ 22 26½ 34 94 12½ 7231 ) 240 54 11 17 12 19½ 22½
B26 (*1079)	1000 78½ 108 125 ¼ 10 18½ 1050 30½ 69½ 90½ 3 20½ 33½	(250)	240 171 <sub>2</sub> 25 313 6 151 <sub>2</sub> 20 260 7 151 <sub>2</sub> 22 16 271 <sub>2</sub> 31 <sub>2</sub> 110 51 <sub>2</sub> 9 13 41 <sub>2</sub> 8 10	Them EMI 750 61 \( 86\frac{1}{2} 92\frac{1}{2} 7\frac{1}{2}\frac{1}{2} 2\frac{1}{2} \) (799) 600 32 54\frac{1}{2} 61\frac{1}{2} 23 30 41\frac{1}{2}
C & Wire (%23 )	600 24 51 65 24 16 254 650 - 23 374 - 404 50	(*130 )	120 2 54 8 111 131, 151,	758 120 54 10 10 7 10 114 (*121) 130 24 6 64 164 174 184
Courtaulds (*506 )	500 10½ 35 45 5 18 24 550 ½ 13½ 22 44 45 50	(402)	420 23 33½ 40½ 8 25 28½ 460 6 14½ 24 30½ 48½ 48½ 130 12 18 19½ 4 8 12½	Vani Reefs 60 Bb 12 12 k 2 k 4 k 5 k 15 k 15 k 15 k 15 k 15 k 15 k
Com. Union (*466 )	460 84, 21 321, 31, 23 26 500 101, 35 43 5 18 24	(*137 ) Prodential	140 62 134 154 8 124 174	Welkome 1000 83½ 123 151 27½ 46½ 53½ (*1041) 1050 56½ 96½ 125 48½ 66½ 71½
Flams (*369 )	360 U + 27 38 4 17 + 21 390 U + 13 + 25 23 33 55	(*231.)	220 15½ 19½ 24½ 3 10 12½ 240 5 9 15½ 12½ 19½ 21½	EUNO FT-SE TROEK (*2546) 2325 2575 2425 2475 2525 2575 2425 2475
GKR (*297 )	280 17½ 23 26½ ½ 12½ 18 300 2½ 11 18 6 24 27½	Racal (*50 ) R.T.Z.	47 4 1 51 1½ 2¼ 550 20 20 40 42 h 10 h 24 h 27 h	CALLS Lm 219 171 124 824 474 224 9 4
Grand Met. (*932 )	900 34 66½ 93½ 4 19 27 950 - 40 64½ - 39½ 44½	(*506 ) Scot. & Men	550 21 11 22 421 551 581	Feb 239 194 152 112 804 524 324 185 Mar 259 - 181 - 111 - 595 - 4m 305 - 233 - 166 - 114 -
ıcı	1150 3812 6812 95 3 40 5312	(*442 ) Tesso	460 7 21 2 29 21 27 33 4 220 134 184 234 4 7 104	Stp 342 - 275 - 210 - 154 - Dec 370 - 310 - 245 - 190 -
(*1167) Klogfisher	1200 84 384 684 244 664 734 460 234 434 477 12 94 16	(°228) Thame	240 34 8 145 13 185 205	PUTS Jan 3½ 4½ 8 13½ 30½ 52½ 89½ 132 Feb 9 14 21½ 31½ 47 69½ 100 135 May 18½ - 35 - 64 - 111 -
(484)	500 2 2012 2812 1712 26 3412	Water (*348 )	330 21 35 37 31 7 131 <sub>2</sub> 350 8 9	Mar 18½ - 35 - 64 - 111 - Jun 41½ - 61½ - 92½ - 133 - Sep 55 - 72½ - 97½ - 142 -
Ladbroize (*218 )	211 8½ 2 2 229 -13½ 18½ - 14½ 18	Vodafene (*366 )	360 16 31 ½ 37 ½ 9½ 16½ 21½ 390 4¼ 17 23 27½ 32½ 37	Dec 65 - 86 - 110 - 150 ~ FT-SE EUROTRACK 188 INSEX (*1148)
Land Secur (*448 )	420 27½ 42½ 47½ ½ 5½ 13 460 1½ 17½ 22½ 14 21 30½	Option Abbey Nat.	280 114, 194, 254, 124, 164, 184	1090 1625 1050 1075 1100 1125 1158 1175 CALLS
M & S (°257 )	280 8 201, 251, 21, 81, 121, 300 14, 161, 16 131, 171, 211,	(°284 ) Amstrad	300 44, 114, 15 264; 284; 294; 30 44, 7 84; 34, 54, 64;	Mar - 75 55 42 1/2 22 11 1/2 4 Jun 145 125 103 83 65
Salesbery	350 - 2025½ -11½ 16	(*31.)	35 24 5 64 54 74 94	PUTS Mar 6½ 9 14 25 41 60 Jan 5 7 12½ 15 23
(*361.) Stell Trees.	360 ½25 460 345 406 505 14 9 12h	Barcias (*365 )	360 181 <sub>2</sub> 241 <sub>2</sub> 291 <sub>3</sub> 181 <sub>2</sub> 21 26 390 7 121 <sub>3</sub> 161 <sub>3</sub> 361 <sub>4</sub> 41 451 <sub>5</sub>	FT-SE BIDEX (*2540) 2300 2358 2400 2458 2590 2550 2660 2660
(1494.) Standanse	500 4 15 \ 28\ 9\ 27\ 30\ 100 8\ 14\ 16 1\ 4 7\	Blue Circle (*235 )	220 234 271 33 6 124 154 240 114 174 22 134 22 26	CALLS
(*106 )	110 1년 8월 10월 3월 9월 10월	British 625 (*253 )	240 16 20 24½ 6 11 13½ 260 7¼ 11 15½ 16½ 23½ 24½	Jun 246 197 130 105 633 33 15 63 Feb 267 220 175 134 96 67 43 26 Mar 286 242 200 161 127 97 702 50
Trabijar (*126 )	120 % 187 <sub>2</sub> 20 % 8 13 130 4 14 17 5½ 12½ 18%	Dispes (*228 )	220 174 264 284 7 94 134 240 74 154 ~ 164 194 ~	Arr 302 260 222 184 150 120 941 711 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Utd. Biscuits (*438 )	390 27½ 39 43½ ½ 7 11½ 420 4½ 19 27 6½ 20 24	Europeane) (*458.)	420 50 73 82 10½ 20 27½ 460 28 52½ 50 28½ 38 45	PUTS Jan 25 4 7 115 215 43 76 119
Uniferer 1°920 }	850 70 88½ 103 ½ 12 16 900 23½ 53½ 70½ 5½ 27½ 33	Glave	900 535 905 115 365 495 635	Feb 101 131 191 29 41 631 93 129 Mar 181 231 321 43 58 79 107 140
Ultranar (*289 )	280 95 205 ~ 25 17 - 300 3115 255 135 28 -	(*916 ) Hander Skiel	450 35 66½ 89½ 63½ 76½ 8g 750 32 45 - 8½ 16½ -	Apr 27 1 33 43 1 54 1 70 1 90 1 1 1 149 Jun 37 ~ 60 1 - 88 - 133 - Dec 1 65 ~ 83 - 120 - 165 -
G;Cim	Feb May Ang Feb May Ang	(TFFB )	800 812 18	January 15 Total Contracts NA Calls NA Pols NA
Brit Aero (*328 )	300 324 374 394 34 174 194 330 134 21 264 124 224 344	(°157 )	160 75 115 15 9 14 16	FT-SE leges Calls NA Puts NA Euro FT-SE Calls NA Puts NA
BAA (*565 )	500 671, 84 88 1, 6 91, 550 25 48 551, 10 181, 22	Lowbo (*244 )	140 12½ 19½ 22½ 15½ 17½ 23 160 6½ 11½ 15 30 34½ 37½	Eurotrack 100 Index Calls MA Pois MA "Underlying security price. I Long dated explry with Preculates shown are based on misdie prices.
		_		
	TRAC	ITIONA	L OPTION 3-month ca	ili rates
	M44			

# First Leisure rises to £30.4m

By Michael Skapinker, Leisure Industries Correspondent

FIRST LEISURE, discotheque, ten-pin bowling and tourist attractions group chaired by Lord Delfont, yesimprovement in pre-tax profits to £30.4m after what it described as the most difficult year since the company was

set up in 1983. Lord Delfont said he expected tough trading conditions to continue throughout most of this year. He said the first half of the current year would be particularly difficult and would coincide with the planned clo-sure of Blackpool Tower and several discotheques for rede-

Mr John Conlan, chief executive, said the group was looking into the possibility of acquiring some of the assets of Themes International, owner went into administrative receivership earlier this

Mr Conlan said the company was interested in Themes International's bowling alleys and would also look at the safari park. He added, however, that discussions were at

an early stage. First Leisure's profits for the share.
The group is in the process of redesigning its discotheques to give them a more futuristic, high-tech look. Mr Conlan said year to October 31 1991 were boosted by a strong perfor-mance from snooker and the the last redesign of the disco-theques, in the mid-1980s, had attempted to give them a simiten-pin bowling business.

The strong performance of First Leisure's snooker activities is in part due to the rise in unemployment and the increase in the number of people looking for activities to fill their day.



The sports division, which

includes bowling, snooker and the Chichester Marina, saw

profits rise 31 per cent to £12.8m on turnover of £26m

sector was the first of the com-pany's businesses to feel the effects of the recession, as com-

petitors discounted prices heavily to increase market

lar look to the lounge of a lux-

Profits at the group's tourist facilities, which include all three Blackpool piers and the

(£21.8m).
Profits from discotheques were flat at £13.7m (£13.5m) on turnover slightly up at £41.6m (£38.5m). Mr Conlan said this

John Conlan (left) and Nicholas Irens, finance director Winter Gardens conference centre, fell to £12.3m (£14.1m) on a small advance in turnover to £38.9m (£38.7m). Mr Conlan said visitor numbers were down, and those tourists who did visit the attractions were spending less.

Depressed conditions in London's West End, where the company has a stake in the Prince of Wales and Prince Edward venues, saw profits from theatres fall to £728,000

Mr Cameron Mackintosh, the theatrical producer, had agreed to increase his 20 per cent interest in the Prince of Wales and the Prince Edward to 50 per cent.

Group turnover increased by 6 per cent to £108.7m (£102.3m), Earnings per share rose from 15.62p to 15.67p and a final dividend of 3.95p (3.5p) is proposed, making a total of 5.695p, a 13 per cent improvement on last year's distribution of 5.05p.

## (£1.1m) on turnover of £2.2m (£3.2m). The company Dividend rise lifts Southern Business shares

By Peggy Hollinger

SHARES IN Southern Business Group, the photocopier supplier which came under fire 18 months ago for its contractual practice. tises, yesterday jumped 15 per cent as the company announced a modest rise in annual profits from £14m to £14.4m.

Analysts said the share price, which closed 14p up at 106p, took heart from the decision to lift the final dividend from 1.62p to 1.91p, making a total of 2.94p.
Profits were struck on turnover ahead 9

per cent at SSIm. The group claimed forward contracting income - the total value of all its contracts - of £300m at the end of the year to September 30. The average life of Southern's contracts has been reduced from about mine years to six.

Mr Roger Limpenny, finance director, said the company had spent a considerable

amount of "time, energy and money rectifying our past misdemeanors".

He was referring to accusations that

Southern had offered onerous contracts, sold by salesmen employing high pressure techniques. The sales force had been retrained and Southern now boasted an endorsement from the Plain English Cam-

paign on its revised contracts.

Mr David McErlain, managing director, was equally anxious to quash any lingering doubts about Southern's practices.

The criticisms caused us to take a long hard look at our company. That fin hard look at our company . . . That [in turn] enabled us to come in with results which have more than shown we have held our own in a difficult marketplace."

COMMENT

Reporting an increase in profits and turn-over at a time when your main customers - small businesses - are falling at a rate of knots is not bad going. Then, to raise the dividend 15 per cent - indicating that 1992 is likely to be even better - will leave many competitors green with envy.
Southern is rightly proud of generating so
much cash last year, but that is partly a
consequence of slower growth. When
recovery comes, the company, which grew
at an annual compound rate of 20 per cent between 1984 and 1990, is likely to have to return to shareholders for cash. For next year, forecasts are pitched at £16.1m, giving a prospective p/e of 9.5. For the moment, the shares appear to be underval-

# ScottishPower joint venture

SCOTTISHPOWER yesterday set up a joint venture company with Utilicorp United, the US gas and electricity utility, to compete with British Gas in supplying commercial and industrial customers in

ScottishPower thus becomes the third British electricity company to form a joint venture with Utilicorp in gas sup-plies. Midlands Electricity and Eastern Electricity joined up with Utilicoro in the second

ScottishPower will be responsible for the marketing and administration of the new venture while United Gas, the UK wholesaling subsidiary of Utilicorp, will be responsible for supplying the gas, which will be transmitted through existing British Gas

pipelines.

The new venture, which is med Caledonian Gas but will trade as ScottishPower, is owned 75 per cent by the Scottish company and 25 per cent by Utilicorp. It will compete with British Gas on price and also on service, according to Mr Martin Fleming of Scottish-

British Gas is open to compe tition for customers taking 25,000 therms or more of gas a year. ScottishPower expects that in due course the threshtherms and that by 1996 the government will throw the mestic gas market for large households consuming at least 600 therms a year open to com-

#### Receivers in at Co of Designers

at the Company of Designers the building design consultancy which grew rapidly in the late 1980s through acquisi-

The group, which was launched on the USM a week after the stock market collapse of October 1987, has current liabilities of between £5m and £6m. The shares were

uspended on Monday at 7p. KPMG Peat Marwick, appointed receivers, said they hoped to sell COD as an on-going business in the next seven to 10 days.

#### Worldwide revamp of commercial side of Rover

ROVER GROUP, the vehicles subsidiary of British Aerospace, is restructuring its commercial activities worldwide with the principal aim of sharply increasing sales outside the UK.

Mr George Simpson, Rover's chairman, has set a long-term goal for the company to export 60 per cent of its annual output of about 500,000 cars and 4-wheel-drive vehicles. This compares with a record 45 per cent last year – when just under 200,000 vehicles were exported – and only about 25 per cent in the period before privatisation.

The revamp announced yes-terday includes the creation of Rover Europe, under which the UK and continental Europe will be treated as a single market for the first time.
The creation of a total of

three new groupings - Rover Burope, Rover International and Bover Marketing - 's also intended to strengthen Rover's efforts to be perceived as an upmarket producer.

As well as combining UK and continental sales activities, as part of preparations for the single EC market post-1992. Rover Europe will also merge previously separate sales and marketing operations for Rover cars and Land Rover/Range Rover 4wd vehicles

It will be headed, as managing director, by Mr Graham Morris, formerly president of Rover's Sterling Motor Cars subsidiary in North America until collapsing sales forced Rover's withdrawal from the

US car market last year.
Its 4wd subsidiary in the US,
Range Rover of North America, is still fully operative, however, and will be grouped with Rover's other subsid-laries outside Europe within

Rover International.

Its managing director, Mr
Chris Woodwark – formerly managing director of Land Rover - will also take respon sibility for developing new business elsewhere, including

Bastern Europe.
Among projects already underway for the region are possible production of the Maestro in Bulgaria and the setting up of a Russian distribution network for Rover vehicles through Orbicom, a UK-headquartered east-west trade group. Longer term, Montego production could also be moved to Russia.

The third new division, Rover Marketing, is to be under the managing director-ship of Mr Kevin Morley, hitherto managing director of Rover Cars.

Mr Morley, whose responsi bilities have been primarily for Rover's commercial activities, including sales and mar-keting, will lead Rover's drive to reposition its cars at the premium end of the market. He is also to become chairman of a new, independent and asyet unnamed company to be set up by Rover Marketing to provide integrated marketing services to the group.

# Thames Water pays £59m for US and German acquisitions

THAMES WATER, the largest of the UK's privatised water companies, is strengthening its environmental engineering activities with the acquisition of a German engineering design and contracting business and a US manufacturer of municipal water treatment products for a total consideration of just under £59m.

Thames, which has been one of the most aggressive groups among the privatised water companies in diversifying out of its core regulated water business, is acquiring Mittel-deutsche Wasser-und Umwelt-technik AG Halle (UTAG), and FBL Holdings (Leopold), based in Pittsburgh. The acquisitions, among the largest foreign purchases to

date by water companies since privatisation, will bring Thames's non-water business turnover up to £250m. The

deals will give Thames possi-bly the highest proportion of unregulated earnings among the privatised water compa-

Mr Mike Hoffman, chief executive, said that the acquisition of UTAG, was a strategic move that would enable the group to strengthen its presence in continental Europe. Germany, in particular

among European markets, pro-vided a significant opportunity as investments totalling up to DM10bn (£3.5bn) per year were expected to be made over the next ten years to bring eastern Germany's water supply and waste water standards up to EC levels. It would also posi-tion Thames to move further into both eastern and western European markets.

The group won a strongly-ontested battle to take over UTAG from the Treuhand

agency. It put in the highest hid at £33m and has pledged to retain 935 jobs which, together with invest-ments, will bring additional investment in the German company to about DM20m, according to Mr David Luf-from, finance director, UTAG has annual sales of DM131m.

The acquisition of Leopold

.

matterns (4)

ARTH THE

TOTAL

 $\mathfrak{I}^{\mathrm{ann}}_{\mathrm{total}} = (a,b) = (a,b) \in \mathcal{B}$ 

Mssure on r

liko dives t

in Cheeser inte er in an

The Continue of the state of

A AN MARKE

22-11-Silvery Commence

Transport of the second of the

Burn of the second

Section 1

13.00.1

\$ .....

mmond to

Im via rip

A STATE OF S

tain y

E W.

The acquisition of Leopold for \$44m (£25.9m) will strengthen Thames's presence in the US. Leopold's experience in the municipal sector will complement. Themes's operations through LA Water Treatment in the US industrial water treatment market as water treatment market as well as provide an important route for distributing group

products in the US.

LA Water Treatment is expected to achieve turnover of about £10m while Leopold's for the year to end-May is expec-ted to be about \$30m.

# Hanson nearer continental buys

By Roland Rudd

HANSON, the acquisitive conglomerate, yesterday said it was more likely to buy into continental Europe now that the rules governing hostile bids were clearer.

At an analysts meeting in Paris, Mr Peter Harper, chairman of Hanson's UK industrial division, said: "We want to move into continental Europe. The opportunity for such a move we have not yet discov-

He said Hanson had always been held back from buying a European company by the thought it could be thwarted by hidden laws, but now the

European Commission has the power to rule on cross-border EC buys. "We applaud that power," he said. The shares yesterday rose 8½p to close at 212%p.
Hanson last year unsuccess

fully pursued a merger with Imperial Chemical Industries, partly to give it new businesses outside its Anglo-Ameri-For the year ended Septem-

ber 1991, turnover by geographical location, was £3.8bn in the UK, £3.5bn in the US and just £327m in the rest of the world. Analysts interpreted the that Hanson had also decided that a UK hostile bid was too difficult in the present political climate. However, Mr Harper reiterated that Hanson was keeping its options open over its 2.8 per cent stake in ICI.

Mr Harper added that Han-son would still prefer a friendly acquisition on the

He said Hanson's borrowing

power stood at £15.8bn after-paying for Beazer, the building and materials group.

Hanson had been looking for opportunities in continental Europe for the last three to five years, Mr Harper said.

#### Crown Comms in the red

By Peggy Hollinger

CROWN Communications, the radio broadcasting company which owns London's LBC sta-tion, plunged into the red last year as losses mounted at its French RFM subsidiary. There is no dividend.

The total deficit for the 12 months to end-September came to £6.79m, compared to taxable profits of £611,000 last time. Turnover rose from £20.6m to

Mr Brian MacLaurin, corporate affairs director, said RFM incurred losses of almost 23m.

IRS, Crown's advertising arm. Gearing, which stood at 200 per cent before the £4.5m rights issue in October, was down to 100 per cent. This would be further reduced by the sale of non-core assets.

Losses were also incurred at

During the year, Crown sold its stakes in Southern Radio for £3.8m and Radio Forth for £1.3m. However, interest charges rose by £1m to £2.8m, due to delays on those sales. Losses per share deepened from 1.3p to 22.9p.

# SB shares advance 18p

By Daniel Green

SMITHKLINE BEECHAM has received approval for the first vaccine against hepatitis-A, a disease usually contracted though contaminated food and

water.

The drug, Havrix, was approved in Switzerland at the end of December, but the news was not published until yesterday. Its price will be revealed

on January 27. Investors were caught by surprise by the approval and the company's shares rose 18p

to 963p, having been another 15p higher than that during the day.

Between 3,000 and 6,000 hepatitis-A cases are reported in the UK each year, but the figure is much higher in developing countries. Hepatitis A causes fever, jaundice and occasionally liver disease.

Mr Paul Woodhouse of stock broker Smith New Court estimated that the drug could make sales of up to £75m a

#### Seton to sell **US** subsidiary

By Andrew Boiger

Seton Healthcare Group has agreed to sell SePro Health-care, its US subsidiary. The medical and sports equipment group said that to benefit fully from developments in the US health market, it would need a sales force outside the hospital market. However, it had decided that SePro could not undertake this development cost-effectively on its own, and it would be better to concentrate manage-

ment resources on the many opportunities in the UK. Tecnol Medical Products will acquire SePro's Warm'N Form and Ice Bag product ranges for about \$2.75m, (£1.5m) of which \$900,000 will be paid to the former owners of Warm N' Form in lieu of outstanding payments under a

previous agreement. Acme United Corporation will acquire the remaining healthcare assets for \$4.35m.

payable over seven years.

Acme, which already distributes Seton's range of wound dressings, will acquire the US rights for several of Seton's other UK manufactured product ranges for an initial \$2.5m, part of which will be satisfied by a small stake in Acme,

Total for

nii

5.695 0.24 2.75 2.94

уеаг

4.8 9.15 5.8 1.5 10.5

5.05 0.2 2.75 2.56 2.8

#### year. **DIVIDENDS ANNOUNCED** payment payment Asda ...... Beales Hunter Apr 3 Feb 21 Mar 6 1.25t 2.3† 3.1‡ nil 2.5 3.95 Foot produce of the control of the c Exmoor Dual Inc Pade 2006年, 1920年, 192 Apr 6 Mar 20 Mar 12 Mar 6 0.24 1.875 1.91 Apr 10 Feb 27 FUTURES & OPTIONS TRADERS FOR AN EFFICIENT AND COMPETITIVE SERVICE CONTACT;

CAL Futures Ltd. FT-SE 100 162 Queen Victoria Street Where next? London 5C4V 4BS Tel: 071-170 1010 Call for our current views Currency Fax - FREE 2 week trial : F Anne Whilby Fax 071-439.1988 SATQUOTE THE COST EFFECTIVE REAL TIME PRICE INFORMATION SERVICE \* FX \* EQUITIES \* FUTURES & OPTIONS \*

COMPANY DIRECTORS, DON'T BE LATE FOR A

VERY IMPORTANT DATE.

A PRIVATE LIMITED COMPANY has just ten months from the end of its financial year to send its accounts to us. An annual return should also be submitted every twelve months . . . but don't leave it too late. After all, it's easy to lose confidence in a company that fails to meet its legal obligations. It can also cause trading problems when anyone wanting to do business with you doesn't have access to the most up-todate information. So if you're the director of a private limited company, don't miss that

important date. Because you might not just lose business, you may also gain a criminal record and be personally liable for a fine of up to £2000, For more information telephone Companies House on (0222) 380925 Crown Way, Cardiff CF4 3UZ.

Communics House is an Executive Agency of the Department of Trade, and Industri

#### £8.3m placing at John Wood

JOHN WOOD Group, the Aberdeen-based oilfield services company which is one of Scotland's largest privatelyowned concerns, is broadening its shareholder base by placing £8.3m-worth of convertible preference shares with 13 institutions, most of them Scottish.

No cash is being raised for the company but the new shares will, on conversion, account for 8.7 per cent of John Wood's equity. The proportion of the company held by institutions will rise from 9.3 to 18 per cent, and the stake held by the Wood family will fall to 73 per cent and that of management and staff to 9 per cent.

Mr Ian Wood, chairman, said

that the move was part of the evolution of John Wood away from being a family concern.

#### Beales Hunter £5.1m cash call

Beales Hunter, the Nottingham-based textile, refrigeration and electrical group, is launching a rights issue to raise about £5.08m net to fund two acquisitions and eliminate gearing.
At the same time the com-

pany announced a small rise in pre-tax profits to £1.2m (£1.11m) in the half-year to November 30. The interim dividend is lifted 0.1p to 2.3p. Some 2.42m new ordinary shares at 220p apiece will be issued on a 1-for-3 basis.

The companies to be acquired are ingram Electronic Services - for an initial £600,000 and further consideration up to a maximum of £1m - and Tyne Tees Forth Air Conditioning & Refrigeration for about £600,000.

**NEWS DIGEST** Gateshead-based Tyne Tees is a subsidiary of NSM and fol-lows February's £1.75m acqui-sition of Rock Refrigeration,

Seward Refrigeration Supplies and Telewig (UK). In the year to March 31 1991 Tyne Tees made profits, before non-recurring items and tax, of £180,000. Net assets then were £142,000. Ingram, an electronic compo-nents manufacturer based in Airdrie, Scotland, made £107,000 pre-tax in the year to March 31 and had net assets of

about £192,000. Turnover at Beales Hunter amounted to £20.8m (£19.1m) in the half-year to end-November, with operating profits up at £1.39m (£1.29m). However, after the issue of almost 1m new shares in February's open offer, earnings slipped to 12.4p (13.2p) per share.

#### Pelican to extend Café Rouge chain The Pelican Group, the

USM-quoted restaurant opera-tor, reported an 84 per cent rise, from £71,000 to £131,000, in trading profits for the six months to September 30.

At the pre-tax level, profits fell by 50 per cent from £263,000 to £131,000. However, last year's figure was enhanced by

an exceptional gain of £192,000

on the sale of properties.
Turnover advanced by 205,000 to £2,83m. Mr Roger Myers, chairman, said that Pelican now had 14 restaurants and intended to open a further six Café Rouge outlets
Earnings per share declined to 1.1p (3.9p).

#### Pools side helps Zetters to £450,000

Zetters Group reported a 21 per cent expansion in pre-tax profits for the six months to September 30 1991. The increase - from £372,111 to £451,010 - was achieved in spite of a fall in turnover from £11.4m to £11m. The pools operation maintained turnover, directors said,

with tight control over operat-ing costs helping to lift profits. competitions and marketing side dived from £680,051 to £231,655 reflecting the end of the News International Lotto competition which ceased in June of last year. Nevertheless, profitability of the Spotting the Ball competition was being

Earnings per share were at 4.1p (3.4p), and, in a move to reduce disparity, the interim dividend is lifted to 4p (1.75p).

#### Triplex Lloyd in double purchase Triplex Lloyd, the engineering group with interests in the power, automotive and build-

ing products sectors, has made two acquisitions for a total consideration of up to £4.98m. For an initial £2.75m, it is buying Paralloy, a specialist producer of horizontal centrifugally-spun high alloy tubing, fabricated assemblies and static cast fittings, mostly for the petrochemical industry. Further consideration of £750,000 will become due if

profits for the year to March 31 1992 exceed £672,000. The initial payment will be financed via the issue of some 1.96m new ordinary shares placed with institutional investors at 140p apiece.

Paralloy's net assets are expected to be £2.2m on completion, including assumption of its 23m overdraft. The other company acquired

is Precision Castparts - to be renamed Centaur Precision which is a specialist invest-ment casting producer of vac-uum and air cast components for the aerospace, impeller and medical markets. The £1.48m purchase price is to be financed out of Triplex's own

2600 17.15 17.26 17.26
Prince are determined for eventy half-boar in sect transfer for receipt period. Prices are in pounds par misgough-hour, rounded to transfer for the prince price are in pounds par misgough-hour, rounded to transfer for page 19. The section of the section of the page 19. The provision for the page 19. The NGC Seep

nil 2.45 3.5 0.2 1.875 1.62 Dividends shown pence per share net except where otherwise stated ton capital increased by rights and/or acquisition issues. SUSM stock TOn capital increased by rights and/or acquisition issues. \$USM stock #Second interim; current period covers 18 months to March 31 1992. Leaders in Technical Analysis and Traded Options Software on-Thurson, KT12 2P92 Tel. (0932) 220349 Fax. (0932) 242344 BERKELEY FUTURES LTD. 15 PARK ROAD, LONDON NW1 630N OR TEL: C. DE ROEPER ON 071-224 \$489

> \* BONDS \* ECONOMIC NEWS \* CALL • LONDON (071) 329-3377 — FRANKFURT (069) 639125

Sea Transport

#### **UK COMPANY NEWS**

# In a pension scheme which can offer no guarantees Cityvision Bronwen Maddox reports on the gloomy prospects for MCC pensioners

AXWELL Communication Corporation may not have to repair the \$45m deficit in its pension fund, which could that there was a potential conflict between the company's pensioners and its creditors. The fund's trustees act on behalf of present and future pension fund, which could mean that its present employ-ess lose all their pension bene-its, according to a confidential report by Price Waterhouse, the accountants.

In a startling assessment of MCC's debts, Price Waterbouse says that there may be "no lia-hility under the pension fund's trust deed to make good a deficit" if the scheme were wound up this year before the full provisions of the latest pension

The second of th

is not bed as to it houseled by the present of their Herman and their houseled by the contract of their houseled by the houseled by their

acousing

arquisito e

u patenti po

icani al fica-

ा एतम् विकासिक सम्बद्धिः

for the last

. Mr Harper of

n to sel

iubsidian

ew Bolger

rolthan 🗽

o sell SehrE

1 A subsidiary nedical and

11 group wit

ther I'S begin

ार ते मुख्य । इंड

he broude

ald not make

arat costé.

का, असे प्रशे

responsible.

ilies in de 8

id for fict ?

less "hout k

A. 1.48 F.

ng parmedu inited (at

nite (fr 10 1 34×0 kg

IN SIGN

s buch about 5

11 × 10 mg (1

WILL BE THE Sereni de

nation is

(CED

Medical b

legislation come into force.

The report shows that the late Mr Robert Maxwell siphoned off \$40m from the MCC pension fund — part of a total of up to \$2700m raided. with apparent ease from all his companies' pension funds to support his tottering private business empire.

business empire.

If the MCC scheme is not wound-up then MCC has a clear obligation to make up the

deficit.

A decision whether to wind in would be made partly by Law Debenture Trust Com-pany, independent stewards which Price Waterhouse recommended as new trustees of the fund, replacing a company run by Mr Robert Maxwell. However Price Waterhouse, who are administrators of MCC mider UK insolvency law and could also have a say in a wind-up decision, conceded

The pursuit of £1.3bn missing from the late Mr Robert Maxwell's public companies has homed in on six secretive Liechtenstein foundations and two Swiss companies, writes

The six foundations or "stiftungs" — Corry, Aliandra, Baccano, Akim, Kiara, and Jungo —

have been targeted by accountants Arthur Andersen and liquidators of the collapsed Max-well empire in their-search for the missing mil-

Most of the missing money appears to have flowed out from the public companies Maxwell Communication Corporation and Mirror Group

pensioners, but the administra-tors act for MCC's creditors and want to realise the maximum value from the company.

The MCC fund, which covers only its UK subsidiaries — Macdonald, Nimbus and the MCC head office staff — is thought to have lost some £40m of its £65m assets when its investments were lent without security to Mr Robert Maxwell's private companies.

That could leave it with a \$45m deficit on its potential lia-bilities, provisionally estimated at £70m.

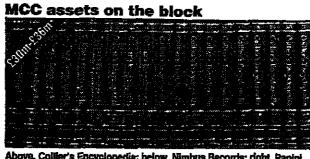
In spite of that hole, the fund can probably keep up payments to those now drawing a pension, according to the presentation by Price Waterhouse to MCC's bank creditors on December 18 December 18.

But it may not be able to meet obligations to deferred pensioners — those who have left the company but are still below retirement age — nor those to existing employees.

That means that employees

who have been paying 5.75
per cent of their pay into the scheme — may have lost most of their benefits.

They also risk getting nothing back if they continued to contribute — their payments might be set against the fund's deficit and so help only exist-





ing pensioners, according to Price Waterhouse. Law Debenture is understood to have written to the scheme's members to say that until this risk is clarified, it

would be wrong for it to accept more contributions.

The 1990 Social Security Act includes provisions to create a debt on the employer when schemes are wound up, but these will not come into force until 1992 or 1993. MCC's US pension funds for Macmillan and Official Airline

Arthur Andersen, who are administrators of

the private companies under UK insolvency laws, now suspect that some of these foundations were used to conceal the origin of funds.

The Swiss-based companies Yakosa Finanzierungs and Servex are thought likely to have

had a central role in the alleged scheme in which Mr Maxwell illegally supported the share price of MCC, now the subject of an investiga-tion by the Serious Fraud Office.

progress soon on selling small MCC businesses, which they assess could raise £105m to £159m after tax. Sales of US offices, including the OAG and Macmillan headquarters, could raise another £17m to £21m Foundations targeted in pursuit of £1.3bn However MCC's rivals have said that Panini, an Italian Newspapers and their pension funds to the web of 400 private Maxwell companies — and then out again to Liechtenstein, Switzerland, the US and Panama. printer of stickers, and Collier, the US encyclopedia business,

have been up for sale for more than 15 months, and are minor compared to MCC's main US The report exposes how MCC's £1.1bn of shareholders' funds at March 1991 had been wiped out by Mr Maxwell's plundering in the months

Guides, the US companies

which are its main businesses,

appear to have suffered no

Price Waterhouse yesterday met MCC's bankers, who face

huge write-offs on their loans

of £1.6bn, to agree extra funding for MCC over the next

three months.

The administrators "hope to

before his death.

Mr Maxwell's private companies owe MCC £252m which sion fund money.

right to silence in answering questions about missing pension fund money.



they now cannot pay. MCC's subsidiary Berlitz, the language instruction company, was included in its assets at \$318m but its shares have been pledged to banks as security. US tax losses slice another £40m off the value.

Foreign exchange dealing also lost it £27m since March. The overall result is that MCC's liabilities could exceed its assets by more than £500m.

London & Bishopsgate
Group and Robert Maxwell Group, two private Maxwell companies, yesterday won an extension of the High Court's Mareva injunction against assets of up to £4.35m of Mr Sheldon Aboff, a former executive of several private Maxwell

LBG and RMG allege that two transfers were made from their funds in October 1991 of £3.1m and £1.25m to Mr Aboff's account, and that this money was used to buy MCC shares.

• Mr Kevin Maxwell was in court yesterday to hear the third day of his appeal for the

# By Norma Cohen buster Entertainment.

# rebel holders expect 10% support

TWO FORMER executives of Cityvision expect to have the backing of "well over" 10 per cent of shareholder votes in an unusual call to oust the com-pany's current management following its agreement to be acquired by US-based Block-

Cityvision, the UK's largest video rental chain which markets itself under the Ritz name, was the subject of an agreed £75m cash and shares offer from Blockbuster last November. Cityvision shares, which had been languishing at 25p, rose sharply when the deal was announced and are now trading at 50p, the value of the offer. However, some shareholders

had been unhappy with the offer, saying that despite the price premium, Cityvision's franchise operation, by far the largest in the UK, is worth more than that.

Yesterday, in a circular to shareholders, Mr Philip Crane, a video entrepreneur who sold out to Blockbuster, and Mr Ray Hipkin, founder of the Ritz video chain, urged share-holders to reject Blockbuster's offer which closes on January

Instead, shareholders will be notified of an extraordinary general meeting at which they will be asked to name Mr Hipkin and Mr Crane to replace the current manager

In the circular, Mr Hipkin and Mr Crane charged that the company's current directors had failed to capitalise on the Ritz brand name and had falled to use innovative mar-keting techniques to gain mar-

#### Asset values up at Exmoor Dual

Improved net asset values were yesterday reported by Exmoor Dual Investment

The figures, accompanying the split-capital trust's first quarter results, showed net et value per ordinary share of 79.3p at November 30, up from 62.5p on a year-on-year basis, and 62.2p (60.4p) per income share.

Net asset value of the zero coupon preference shares improved from 131.8p to 149p

Net revenue for the period to £236,504 (£255,521) for earnings of 0.47p (0.51p) per income share. A first interim dividend of 2.5p (2.45p) is declared.

A first interim dividend of 2.5p (2.45p) is declared.

Inies.

# Waterford Foods to buy Express Ireland in I£100m deal

By Tim Coone in Dublin

WATERFOOD FOODS, the rish dairy and foods group, has agreed in principle to buy Express Ireland, a dairy off-shoot of Grand Metropolitan. the UK drinks, food and retailing group.
Excluded from the deal is

Express Ireland's 80 per cent interest in Carbery Milk Prod-ucts, which is to be sold to Carbery Creameries, the minority shareholder which is owned by four Irish dairy cooperatives.

The deal is estimated to be

worth I£100m (£93.6m) to GrandMet and ends weeks of speculation over the future ownership of Express Ireland: GrandMet last November revealed plans to reduce its dairy interests in the UK and Ireland to concentrate on more strongly branded segments of the food industry.

Last December GrandMet

sold its Express Dairy liquid milk business in the UK and its Eden Vale chilled products business to Northern Foods for

Since then, as many as 10 contenders have been negotia-ting the takeover of Express Ireland in a battle between Irish food groups for scale and

market share. Express Ireland comprises: Carbery milk products, the Republic's biggest cheesemaker, Virginia Milk Products, which supplies cream to Bai-ley's, the GrandMet subsidiary Premier Dairies, the main liguid milk supplier to the Dublin market; and an Italian-style cheese production plant in Northern Ireland.

Waterford's main interests are in: Premier, in which it already has a 50 per cent stake; Virginia, which purchases about half of Premier's milk supplies; and the Northern Ireland plant at Magheraglin although this last may subsequently be sold off.

As part of the deal, Virginia will continue to supply cream for the production of Bailey's Original Irish Cream.

time for Waterford, which last October bought United Co-op-erative Dairies in the north of England for £37.5m.

This followed the 1989 acqui-sition of Healds Foods, also based in the north of England. The two deals left Waterford with a considerable debt burden of some 1245m. The Express Ireland acquisition is expected to be financed by a rights issue of about I£30m together with long-term debt. and is likely to cost Waterford between 1£50m and 1£60m after subtracting what Carbery will fetch, and cash reserves within Express Ireland.

Stockbrokers in Ireland have been recommending Irish food industry stocks in recent months, and analysts say that a Waterford rights issue would be well-timed now, despite the which makes cream liqueur; company's debt.

#### **Electricity companies** merge retail operations

By Michlyo Nakamoto

SOUTH WESTERN Electricity and South Wales Electricity are merging their retailing and appliance repair businesses into a new company, SWEB

The new company will be 80 per cent controlled by South Western Electricity, which will contribute 43 of SWEB's 67 retail outlets. The balance of the shares will go South Wales Electricity, which has also retained the right to sell its minority shareholding to South Western after 1996 for an estimated asset value of about £4m

to £5m. Annual turnover for the new company, which is planned to come into effect in early April, is expected to be in the region of £70m. The freehold and leasehold property rights will remain with the parent compa-

tricity, said that the utility bad been reviewing its retail busi-

ness for some time.

The merger with South
Western's retailing operations
would provide it with an opportunity to move out of a business that was not profitable. In the six months to end-September, South Wales' retail-ing business incurred a loss of about film on turnover of just over £20m.

For South Western, the merger would enable it to increase volume, which, in electrical retailing, is crucial to profitability. South Western only came close to break even at the interim stage last year. Mr Jones said the merger would lead to significant cost reductions through the elimination of 80 to 90 jobs, the rationalisation of warehouses, nationalisation of infrastructure and joint purchasing bene

# Colorvision pushed into the red

Browen Maddox.

creditors led to Colorvision, creditors led to Colorvision, the Liverpool-based retailer of television and satellite systems, incurring an interim deficit of 5545,000 before vir.

The outcome for the six months to September 30 compared to profits of £148,000 last time. Following a change of year end, the latest figures compared the second interim

An exceptional debit of charman, said that during a \$508,000 was needed after pay period when national markets made to creditors, which in television and video

AN UNDERSTATEMENT of had not been accounted for, came to light after the accounts were computerised.

It then emerged that the head office had repeatedly, for over a year, paid out money owed to shops, for advertising on Colorvision's behalf for

example, without recording it.

Profits before exceptional items and taxation increased to comprise the second interim period for the 18 months to March 31 1992. Second interim \$283,000 (2148,000) on turnover ahead from £17.5m to £24.1m. Mr Neville Michaelson,

recorder sales had fallen the company continued to increase its market share. Gross margins fell from 37.2 to 34.3 per cent as the group phased out finance purchases

in favour of cash purchases. Colorvision has continued its expansion of retail outlets. It now has 80 compared to 77 at end-March 1991 and anticipates having 85 by the end of March

Losses per share were 1.7p compared to earnings of 0.5p. A second interim dividend of 3.1p

# £0.5m for Granada chief

By Gary Mead, Marketing Correspondent

to Mr Derek Lewis, the group's former chief executive who resigned last September.

It is believed that as Mr Lewis had been with the televi-sion and leisure group since 1984, and that he left almost at the start of a three-year contract earning some £200,000 calls from concerned outsiders. annually, the compensation package was not extreme. Granada's annual report also

revealed that Mr David Plowright, the current chairman much to him.

GRANADA Group yesterday of Granada TV, had exercised attempted to play down the furore over a £579,550 payment in Cheshire previously owned in Cheshire previously owned by the company for just over £81,000, against an estimated market value of some £400,000. Granada TV granted Mr Plowright the option at a price equalling Granada's costs. It acknowledged that the deals had led to a welter of telephone

Defenders of Mr Lewis stated yesterday that Granada's suc-cessful bid for the north-west franchise last October owed

Wyko dives to £279,000 By Paul Cheeseright, Midlands Correspondent

Pressure on margins as

SHARP AND sustained The problem has been the pres-pressure on margins led to a sure on margins. First half pressure on margins led to a collages in interim profits at Wyko, the West Midlands-based manufacturer and distributur of bearings and power.

ransmission components fell fi Pre-tax profits of \$279,000 for \$2858,000. the six months to October 31 were 80 per cent lower than the corresponding period's £1.42m. This translated into a fall in earnings per share from 8.8p to 0.66p.

But the group is maintaining its interim dividend at 1.4p

despite having to dip into reserves to meet the full cost. Mr Philip White, chairman, explained that the move was a sign of confidence. We feel we possibly have seen the worst of it now. The thing has bottomed. We've seen some slight signs of improvement here and there,"

The figures were indeed bet-

turnover of £25.4m was only fractionally down from that in the corresponding period; operating profits, however, fell from £2.01m to

During the second half Mr
White is expecting a better performance from UK manufacturing activities. There is, he
noted, "a reasonable order
book," but the main hope of
higher second half earnings
comes from the UK distribution network where the group tion network where the group will have a full six month contribution from EW Bearings' outlets, acquired last October. Recently there have been signs that prices and margins were stabilising in the international distribution business, although general trading con-

Gearing, now running at 50 per cent, is expected to be Ser than in the second half of under 40 per cent by the end of 1990-91 when pre-tax profits of the year despite capital expenditure of 21 km.

## Drummond to call for £2.5m via rights issue

DRUMMOND Group, the worsted and wood textile company, is to take about 22.5m net of expenses via a rights

Ordinary shareholders will be entitled to apply for the new shares on a 1-for-2 hasis. Preerence shareholders will receive 0.3863967 new ordinary shares for each share held.

PROVISH EXPORT CREDET CTD-USD 25,000,000 16 TER CENT. DISD ESSABLED IS FER CENT.

PROTES BUTE 1992.

SECONDAL PROBER THE USD

LEGISLATION NOTE.

THE SECONDARY SECONDARY IN THE SEC

The issue of the new shares at 390 each is dependent on shareholder approval. Dealings are expected to commence on

man, together with his family interests and Chargeurs Tex-tiles, have irrevocably undertaken to take up their entitlements totalling 3.17m new

acquisitions, and further capital expenditure is planned, the proceeds of the rights issue will be used initially to reduce borrowings, which stood at about \$5.9m on January 5

February 10. Mr Stefan Simmonds, chair-

shares (46.27 per cent).

Over the past three years the group has invested more than 29.5m in new machinery and

1992. The board forecasts that pretax profits for the year ending March 31 1992 will exceed £1.1m. while a final dividend of 0.75p, lifting the total from 1p to 1.5p, is also

# **Beatrix Mines Limited**

Share capital: Authorised - 150 000 000 ordinary shares of no-par value : Issued - 85 000 000 ordinary shares of no-par value Directors: G. Maude (Chairmen); A. D. Botha; S. P. Ellis; P. J. Eustace; J. E. Cièvier; P. de V. Rade Alternative: E. K. Bardost; J. H. J. Burles; C. T. B. Demosey; B. J. Lowrengon; D. J. D. Ross.

Report for the guarter ended 31 December 1991 01.09.91 31.12.1991 R'000 31.12.1991 30.09,1991 INCOME STATEMENT 20 764 13 000 23 920 163 35 191 210 23 757 8 045 34 981 10 553 Taxation ..... 15 712 24 428 22 270 1 515 Distributable income ..... 25 943 37 982 26 350 25 943 11 632 25 943 BALANAZ STIE:
Capital Engloyed
Share capital
Retained income 131 488 143 098 157 409 128 026 29 383 15 072 Current liabilities ..... 12 839 29 890 12839

REMARKS: (i) The figures are unsudited.
(ii) The report has been approved by the board.
(iii) The attention of shareholders is also drawn to the quarterly report of the Beatrix mine which appears

Registered and head office General Mining Building § Hollard Street Johannesburg 2001 (PC) Box 61820, Marshalltown 2107)

Transfer offices South Africa; Central Registrers Limited 154 Market Street Johannesburg 2001 (PO Box 4844, Johannesburg 2000)

157 409

143 098

157 409

London office Gencor (UK) Limited 30 Ely Place London EC1N 6UA

15 January 1992

United Kinadom: Barclays Registrars Bourne House 34 Beckenham Road

Kent BR3 4TU

By order of the board General Mining, Metals and Minerals Limited per: D J D Ross Meneger: Administration and Secretarial Services



# **Oryx Gold Holdings Limited**

Shere capital: Stated - 587 500 100 ordinary shares of no-par value : Issued ~ 165 000 200 ordinary shares of no-par value ers G. Maude (Cheirman); A. D. Bother, J. H. J. Surker, L. Hewnt; B. N. S. Luret; J. E. Olivier. 1888: E. K. Bantley; C. T. B. Dempery; P. J. Eustace; D. J. D. Rotts.

Report for the quarter ended	131 Dece	mber 199	91
	Quarter ended 31.12.1991 R'000	Ouarter ended 30.09.1991 R'000	Year to dam 01.09.9 31.12,199 R'00
RECOME STATEMENT			
Income			
Interest received	24 770	23 705	32 98
Financing costs Sundry expenditure	24 655 121	23 059 144	32 62 16
• •			
Income before taxation	(6) 10	502 217	18 10
Income after taxation	(16) 11 932	285 11 647	7: 11 83:
Retained income at end of period	11 916	11 932	11 91
netaingo income at enu oi perioo	11310	11932	1191
BALANCE SHEET			
Capital employed			
Share capital. Shareholders' loans	621 089 212 718	621 089 133 580	621 089 212 71
Retained income	11 916	11 932	1191
	845 723	766 601	845 72
Long-term liabilities (see note)	550 000	550 000	550 00
Deferred taxation	1 035	1 025	1 039
	1 396 758	1 317 626	1 396 75
Employment of capital			
Fixed assets	424 526	424 526	424 52
Loan to St. Helena Gold Mines Limited	964 089	875 572	964 089
Net current assets	8 143	17 528	8 143
Current assets	12 994	20 149	12 994
Current liabilities	l 4851 (	2 621	4 851
	1 396 758	1 317 626	1 396 758
NOTE:			
Long-term liabilities			
Includes Eurodolfar loans of \$41,5 million, which are fully			
covered	123 983	<u> 39 998</u>	123 983
REMARKS:	_	_	
(i) The figures are unsudited.			
(ii) The report has been approved by the board.			

(iii) The attention of shareholders is also drawn to the quarterly report of the Oryx mine which appears elsewhere in this addition. General Mining Building 6 Hollard Street Central Registrars Limited

Johannesburg 2001 (PO Box 61820, Marshalltown 2107) London office Gencor (UK) Limited 30 Ety Place London EC1N 6UA

154 Market Street Johannesburg 2001 (PO 8ox 4844, Johannesburg 2000) United Kingdom: Barclays Registrars Bourne House

34 Beckenham Road



By order of the board General Mining, Metals and Minerals Limited. Per: D J D Ross Manager: Admin ration and Secretarial Services

# Debts may force closure of Peruvian metal plant

THE PRECARIOUS financial position of Peru's state-owned mining corporation, Centromin, has given rise to the distinct possibility that its huge La Oroya refinery and smelter complex might have to

Centromin is high on the government's privatisation list and an international tender for valuation of the company has been called. Former mines minister Mr Sanchez Albavera estimated the company's total worth at around \$600m.

The company's cash-flow position, however, is acute. The immediate crisis arises from a refusal by state oil company Petroperu to continue supplying fuel on credit to Cen-

unpaid bill for \$200,000. Centromin owes estimated \$60m to a wide variety of suppliers. The closure of the smelter would have a dramatic effect

on Peru's aiready beleaguered mining sector. Centromin is the principal purchaser of "dirty" concentrates from many of Peru's medium-sized mines. Some 2,500 local compa-nies and an estimated 100,000 families depend directly or indirectly for their livelihood

On its own account, Centromin employs over 15,000 workers and exports metals and minerals worth \$350m annually. The company accounts about a third of Peru's lead and zinc, a quarter of its silver and upwards of ten per cent of its copper.

Centromin has been technically bankrupt for many months, having lost \$105m in the first half of 1991. In early January, a government decree authorised the company to sell off non-essential fixed assets in order to stay afloat.

Company managers were holding urgent meetings in Lima yesterday to seek a short term solution to the company's cash crisis. They hoped to avert La Oroya's closure by renegotiating the Petroperu

The only approach so far from a potential purchaser for Centromin – Boliden of Sweden - was rejected last year because it involved use of sec-

# Financing difficulties delay Anglesey base metals project

DEVELOPMENT OF Britain's first big base metals mine for decades, at Parys Mountain, Anglesey, is being seriously delayed by financing difficul-

Angiesey Mining, the company floated on the London Stock Exchange in 1988 to develop the Parys Mountain property into the UK's biggestever metals mine, is now seeking a joint venture partner to bring the project back on

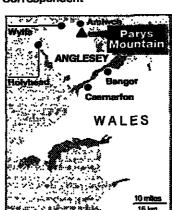
The zinc-lead-copper mine was scheduled to come into operation early in 1993. Anglesey says that production can start 15 months after financing

Plans also call for the mine to produce a steady stream of authenticated Welsh gold for which there are customers who will buy at a premium to the

Anglesey so far has spent about £8.5m on the project and now needs another £25m to take it through to production. Two banks, the Swiss Bank

Corporation and the Bank of Scotland, agreed in October to provide project loans of up to \$25m (£14.5m) and Anglesey also received a £2m Welsh Office assistance grant because the mine will create 147 jobs. However, raising the equity part of the package has proved impossible so far. Most of Anglesey's shareholders seem keen to subscribe for new shares but its biggest share-Canadian mining company which owns 43 per cent, is not

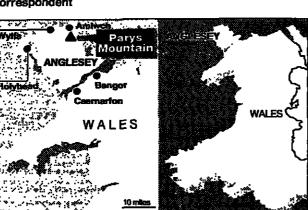
Like nearly every other met-



and it has other projects requiring capital.

Two of the likely candidates, Outokumpu, the state-owned Finnish group, and Minorco, the offshore investment arm of the Anglo American Corporation of South Africa, had been approached but indicated that they would prefer to concen-trate on projects in Ireland in which they had interests, he

A Parys Mountain feasibility study suggested that, by mill-ing 250,000 tonnes of ore a als mining company in the of which 2,500 to 3,000 ounces



Mr Mark Wellesley-Wood, a director of Kleinwort Benson Securities, Anglesey's advisers, said two companies were studying joint venture propos-als but any arrangement obvi-ously would take some time to

year, the mine would produce tonnes of zinc, 5,700 tonnes of lead and 2,500 tonnes of copper. The mine would also produce about 5,000 troy ounces of gold could be recovered by Anglefrom present very low prices sey and authenticated as

"Welsh" gold During pilot plant testing more than 2,000 tonnes of ore was processed and about 250 tonnes of metal concentrates were sold to the Pasminco

smelter at Avonmouth. Parys Mountain has a long mining history dating back to Roman times. During the late 18th century it was one of the world's largest copper mines, supplying much of the metal required for Britain's Industrial Revolution.

About 3.5m tonnes of rock was moved by hand, pulled up from a growing pit by ropes and eventually the mountain contained the biggest man-made hole in the world a record that was not over-taken until the 1890s. Mining eventually ended in 1911 after 143 years of almost continuous mated 120,000 tonnes of coper was produced.

The site is owned by the Marquess of Anglesey who will collect substantial royalties if the mine eventually proves

COCCA - Landon POX

Close Previous High/Low

# Quebec copper plan

By Bernard Simon in

COMINCO AND Teck, the Vancouver-based mining groups, have thrown their weight behind the Louvicourt copper, zinc and gold deposit in central Quebec by shouldering a large chunk of the development costs and acquiring a 25 per cent equity stake in the

The two companies will acquire their stake from Aur Resources, a junior mining group, in return for a cash pay-ment of C\$15m (£7.3m) plus a contribution of 55 per cent of the next C\$100m in development costs. The contribution also covers Aur's share of the costs. Aur will retain a 30 per

cent interest in the project.

The deal thus values Louvicourt, considered one of the most promising base metal projects in Canada, at a total of C\$180m. Construction costs are

c\$130m. Construction costs are estimated at C\$236m.

The Louvicourt mill is due to start up in 1994 at a rate of 640,000 tonnes a year. Full production of 1.8m tonnes is scheduled for 1997. Metal output at full capacity is expected to reach 215m lb of copper, 53m lb of zinc, 36,000 cunces of gold and 960,000 ounces of silver. Mr Raymond Goldie, analyst at Richardson Greenshields in Toronto, said besides high grades and large tonnages, Louvicourt benefited from being close to existing infra-

the town of Val d'Or, will also be close to a smelter operated by Noranda, the Toronto-based resources group.

Because the deposit is adjacent to a mine that was closed in the mid-1970s, Mr Goldie expects the environmental review process to proceed rela-

structure, such as roads and

power supplies. The mine, near

tively smoothly.

The remainder of the project will be financed by Louvem Mines, which has a 45 per cent equity interest. Louvem is 51 per cent owned by Noranda.

# Backing for Fox tries to make up lost ground

David Blackwell on London's troubled commodity futures exchange

ONDON'S RAW sugar market moves from screen trading back to floor trading tomorrow as the troubled London Futures and Options Exchange (Fox) embarks on a year of readjustment after its property futures debacle.

Traders around the world will be watching closely what happens to the raw sugar market, which only 12 months ago was switched to screen trading in a move to boost rapidly fading volumes. The decision to move it back to the floor was taken in September, a month before Mr Mark Blundell, then chief executive, resigned after having initiated trades in the screen-traded property futures

In December the Securities and Futures Association fined five brokers between 260,000 and £80,000 for creating a false impression of investor interest in the market.

Fox has been a pioneer of screen trading, but its experience has not been happy. The white sugar market, launched in 1987, was the first market to be put on screens and has remained relatively successful. But since then contracts in rubber, rice and property have been launched and closed. The base metals index contract was trading reasonably well until the property futures scandal, when volumes collapsed, while an arabica coffee contract has attracted little attention.

One of the first actions of Mr Phillip Thorpe, the new chief executive, was to order a review of the exchange by Arthur Andersen, the accountancy group, and he expects the results shortly. "It will be an audit of where we are and a blueprint of where we want to be," he said this week.
But he is clear that Fox will

be concentrating on its core agricultural contracts in the short to medium term. He also insists that he has no preconceptions as to how they should be traded - floor or screen.

the creation of a succession of mergers. It was not until 1986 that the coffee, cocoa and sugar markets merged in order to defray the costs of regula-tion under the Financial Scrvices Act. In 1990 the exchange merged with the Baltic Futures Exchange, taking over contracts in grains, potatoes, meat and freight futures.

The degree of merging, however, has been limited by the individuality of the markets. Mr Piers Fietcher, a director of

both London Fox and GNI, the futures broker, believes the hearts of the original three

been in co-operation. "The merger was never fully consummated," he says.

For several years GNI, a member of all the Fox markets, has consistently pushed the idea that all the markets

for hanging on to control.

order to maximise the benefits of the mergers. "Only the most efficient markets will survive, and Fox has got to be competi-

Mr Michael Overlander, chairman of the exchange's sugar market committee, does not underestimate the difficulty of re-establishing London's raw sugar market.
"We know we have an upbill task. We also recognise that

Members must decide whether they want a strong central authority or an umbrella over individual markets

individual markets have not been in co-operation. "The players was far smaller than

should be traded on a single floor using a pit system, like the London International Financial Futures Exchange or the big US commodity markets. This would enable traders to cross from one pit to another, following the active

However, the sugar, coffee and cocoa market committees have retained their autonomy at Fox, and Mr Fletcher con-cedes that the cocoa committee, which runs Fox's most suc-cessful market, would point to recent events as a good reason

Mr Thorpe agrees that one of the key issues Fox has to address is whether members want a strong central author-ity or an umbrella over individual markets. "We have to decide what the exchange is for," he said. "Is it to introduce new contracts? To service markets? Or is it just a regulatory

this is a last ditch attempt at success," he said this week. There was no clear single rea-son why the volume had disap-peared from London, although the trading world had changed drastically, and the number of

five years ago. Several companies and assorted locals (traders who operate on their own account) will staff the raw sugar floor, which will trade on a pit system between the coffee ring and the agricultural contracts. The companies include Sucden (UK), Refco Overseas, Credit Lyonnais Rouse, Pierson ICS

Fox also points out that about 70 traders attended a registration meeting last week, indicating a strong interest in

indicating a strong interest in the new market.

However, Czarnikow, one of London's biggest physical sugar traders, will not be manning the new floor. Mr John Barnaby, managing director of Czarnikow Sugar, said the group simply did not have the business to justify a presence on the trading floor. He did not rule out using the London marrule out using the London mar-ket, via local traders, if his citents wanted to use it, but "very few of our clients want to use it. The major users of raw sugar - the big producers

He is also certain that Fox and buyers - now use New will have to organise itself in York as the medium for raw York as the medium for taw sugar pricing," he said. Mr John Darling, a director of E.D. & F. Man, said that as a major international sugar

house his company was com-mitted to the market as far as it could be, with three regis-tered traders based at the nearby coffee ring and treight futures pit. "We are well dis-posed to act quickly." he said yesterday, but there were no indications that volumes were going to leap. The company would man the sugar floor full time "as soon as it became eco-

nomically viable".

Mr Overlander is convinced there is still a desire to trade raw sugar in London, pointing out that there are basic differences between the London and ences between the London and New York contracts offering opportunities for arbitrage. Mr Fletcher believes the market stands a good chance of sur-vival if the big players use it. Mr Fletcher is also optimistic about For's future, pointing out that while all three soft commodities have been in the doldrums together, there is good reason to believe cocos and coffee are heading for better times. "We ought to see the present circumstances as an

opportunity to build up the exchange," he said.

Mr Thorpe believes the freeing up of agricultural policies will greatly boost the potential of the exchange's grain con-tracts, and research will con-tinue into a European grain contract. But the exchange will be very careful about launch-ing contracts in future. Adding a new market may not be com-plicated or expensive, but that is not a reason to put it on the

screen, he said. Meanwhile Fox would be concentrating on the products it already has, which people want to trade, he said. "We are very conscious that we need to show that we run well as an organisation. We want the exchange to be approaching 1992-93 with a very strong foundation."

148 - 151 - 1869.

· ---

2010

क्षेत्र के संस्थित

章機 Albricate in the

And the set were the purpose

The section of the section

Bertherman Jak -2:30 to 10 to 10 to

The transfer of the property

State and the state of the stat

Service Control

AND AND ASSESSMENT

•..,

- -Higher Kan

And the second The state of the s

A STATE OF THE STA

11

Antenia Pera \*17 4. T42, #

22% 3 mm - 252

# Brussels blow for dairy hormone

By David Gardner in Brussels

THE EUROPEAN Commission yesterday agreed a report on Bovine Somatotrophin (BST) that brought to the forefront its concerns that the growth hormone would run counter to its efforts to reduce farm out-

The interim report follows last month's endorsement by the council of ministers of a further, two-year moratorium which boosts the output of dairy cows by between 12 and 25 per cent, according to different studies.

decision together amount to "a clear signal that chemically fare consideration because the

WORLD COMMODITIES PRICES

based production improvements are not likely to be a feature of the future", a com-mission official said. This is a blow to Monsanto and Eli Lilly. the two companies seeking authorisation for hormones they have developed, which some analysts believe could create a \$1bn market world-

commission report cernible effect on humans who consume milk and dairy products from cows treated with it. ent studies. The hormone meets "quality"
The report and the council and "efficacy" criteria as well, though there is an animal wel-

need to inject it daily causes swelling and mastitis. But the report notes that "a veterinary medicinal product may not be authorised. if its use would contravene the rules and objectives laid down by the community within the framework of the common

agricultural policy".

Plans to overhaul the CAP envisage sharp price and outduction, which in the dairy sector is running at 15 per cent, despite the use of ever more restrictive quotas. Wide spread use of growth hormones would drive a coach and horses through this strategy.

## Chicago wheat futures bounce after early fall

By Barbara Durr in Chicago

the Chicago Board of Trade bounced yesterday after early profit-taking following the pre-vious two days of rises, which had taken them to life-of con-

tract highs... By mid-morning, the spot contract had risen 1.25 cents to \$4.1425, while May wheat rose 3.25 cents to \$374.5 and September by 3.5 cents to \$377.

The increases came after some contracts had fallen by several cents. Wheat has been rising since the US Agriculture Department revealed at the

WHRAT FUTURES prices at start of the week that farmers had planted fewer acres of winter wheat and that wheat stocks were at their lowest point for almost two decades. World wheat stocks are also

> Adding to the price pressures are continued good demand and below par growing conditions for wheat crop, said grain analyst Mr Richard Feltes of Refco. Some analysts are suggest-ing that wheat could rise to as much as \$5 per bushel, though tough price resistance is expec-ted at \$4.50.

#### **MARKET REPORT**

Aluminium bounced higher on the LME after a wave of buy stops were triggered in the afternoon. Traders said that dealer buying and option covering took three-month metal above \$1,160 a tonne, touching off sizeable US customer buy-stops. The rise accelerated sharply before sufficient profit taking and hedge selling built up to prevent a close above the next resistance point as mainly technical, and although it might still have a little way to run it would need the support of consumers if it was to be sustained. And it was not likely they would chase the market higher with so much surplus metal

#### London Markets

rougou wai	Kets	
SPOT MARKETS		
Crude of (por barrel FOB)		+ pr -
Dubai Bront Blend (dated) Bront Blend (Mar) w.T.i. (1 pm est)	\$14.85-4.95Q \$16.35-8.45 \$17.85-7.95 \$18.95-9.05Q	+ .175 +0.20
Of products (NWE prompt delivery per b	nna CIF)	+ or -
Promium Gasolino Gas Oil Heavy Fuel Oil Naphtha Petroleum Argus Estimates	\$201-203 \$171-172 \$59-61 \$188-191	+0.5 +2 +1
Other		+ or -
Gold (por troy oz) Silver (per troy oz) Pigtinum (per troy oz) Palladium (per troy oz)	\$354 55 414 0c \$337 75 \$83 0	+0.65 +5.5 +5.5 +2.0
Copper (US Producer) Lead (US Producer) Tin (Kuala Lumpur market) Tin (New York) Zinc (US Prime Western)	98.21c 37c 14.51r 252.75c 62c	+0.05 -0.01 -1.0
Cathe (live weight)? Sheep (live weight)? Pigs (live weight)?	107.06p 104.72p 84.07p	-0.15" + 3.12" + 1.14"
London daily sugar (raw) London daily sugar (white) Tate and Lyle export price	\$215.0t \$265.5t \$230.0	-1.6 -1.5 +2.5
Barley (English feed) Mai20 (US No. 3 yellow) Wheat (US Dark Northern)	£124.5 £147.5 £101	+0.5
Rubber (Feb)♥ Rubber (Mar)♥ Rubber (KL RSS No 1 Feb)	51.75p 52.00p 215.0m	+ 1.25 + 1.25 + 0.5
Coconut oil (Philippines)§ Poim Oil (Malaysian)§ Copra (Philippines)§	\$760y \$390.0y \$495.0t	+ 5.0 + 5.0
Soyabeana (US) Cotton "A" Index	£149.0 89.45c	+ 2.5 + 0.05

Nochtops (64s Super) 408p Mar v-Mar/Apr y-Feb/Mar z-Dec/Jan. †Meal Commission average fatatock prices. \* Change front a week ago. **W**London physical market SCIF Rottordem 🍁 Buillion market close. m-Malaystan contaling \$\\$heep prices are now live weight prices. available, traders said. Copper prices closed higher in the wake of Aluminium. In bounced down to low of \$5,485 a to three-month met re-emerged. Silv on the London bu a day of active ar which moved the positive chart too dealer said siive through into a ne

produ	cer se	ling was	seen cappin
rises	at the I	nbber ei	nd of the new
range	De(We	en 3352	and \$358.
ÇÜİ	irbned	from Re	CHARA
SUGAR	- Lond	on FOX	(\$ per tonn
Raw	Close	Previous	High/Low
Mar	182.20	184,00	183.20 181.60
May	183.40 187.00	185.00 190.00	163.80 183.40 186.00 185.40
Aug			
Miryto	Clase	Previous	High/Low
Mar	264.5	266.4	265.0 262.8
May Aug	268.8 271.8	270.5 273.0	268.5 268.0 271.0 268.5
Oct	257.3	258.5	256.5 254.5
Doc	257.3	258.1	2550
Mar	257.3	258.5	255.0
Tumove	r: Raw 7:	5 (286) lots	of 50 tonnes.
	1284)		. N. 1467 CE N
1509.13	alato fees	hau rotura	); Mar 1467.65, M
1000,15			
CRUDE	O1L - 11	_	\$/barr
	Lates	at Provio	us High/Low
Feb	18.20		18.33 17.65
Mar	17.83		18.05 17 39
Apr	17.73	17.45	18.05 17.39 17.83 17.30
Apr May	17.73 17.70	17.45 17.33	18.05 17 39 17.83 17.30 17.70 17.31
Apr	17.73	17.45 17.33 17.33	18.05 17.39 17.83 17.30
Apr May Jun Jul Oct	17.73 17.70 17.30 17.73 17.95	17.45 17.33 17.33 17.37	18.05 17.39 17.83 17.30 17.70 17.31 17.90 17.72 17.71 17.95
Apr May Jun Jul	17.73 17.70 17.30 17.73 17.95	17.45 17.33 17.33 17.37	18.05 17 39 17.83 17.30 17.70 17.31 17 30 17.73 17.71
Apr May Jun Jul Oct IPE Indo	17.73 17.70 17.30 17.73 17.95	17.45 17.33 17.33 17.37 17.87	18.05 17.39 17.83 17.30 17.70 17.31 17.90 17.72 17.71 17.95
Apr May Jun Jul Oct IPE Indo	17.73 17.70 17.30 17.73 17.95 x 18.01 r 22000 (3	17.45 17.33 17.33 17.37 17.87	18.05 17.39 17.83 17.30 17.70 17.31 17.90 17.72 17.71 17.95
Apr May Jun Jul Oct IPE Indo	17.73 17.70 17.30 17.73 17.95 x 18.01 r 22000 (3	17.45 17.33 17.33 17.37 17.87	18.05 17 39 17.83 17.30 17.70 17.31 17.70 17.31 17.72 17.71 17.95 18.01
Apr May Jun Jul Oct IPE Indo	17.73 17.70 17.30 17.73 17.95 18.01 F 22000 (C L — SPE Close 168.75	17.45 1 17.33 1 17.23 1 17.27 1 17.87	16.05 17 39 17.83 17.30 17.70 17.31 17.70 17.71 17.95 18.01
Apr May Jun Jul Oer IPE Indo Turnove GAS OII	17.73 17.70 17.30 17.73 17.75 17.95 18.01 17.22000 (Class 18.75 168.75	17.45 17.33 17.23 17.27 17.87 34086) Previous 165.75 165.75	18.05 17.39 17.83 17.30 17.70 17.31 17.30 17.72 17.71 17.95 18.01 Srtoni High/Low 168.03 181.75 168.75 161.75
Apr May Jun Jul Oct IPE Indo Turnove GAS Oil Feb Mar Apr	17.73 17.70 17.30 17.73 17.75 17.75 18.01 r 22000 (; L - :PFE Clesso 168.75 168.50 166.50	17.45 17.33 17.33 17.37 17.67 34686) Previous 165.75 164.00	18.05 17.39 17.83 17.30 17.70 17.31 17.30 17.72 17.71 17.95 18.01 Srtone High/Low 169.00 181.75 168.75 161.75 168.55 160.50
Apr May Jun Jul Oct IPE Indo Turnove GAS OII Feb Mar Apr May	17.73 17.70 17.30 17.33 17.95 x 18.01 c 22000 (: L - :PE Clesso 168.75 168.50 165.50 165.25	17.45 17.33 17.33 17.37 17.67 34086) Previous 165.75 165.75 164.00 162.25	18.05 17.39 17.83 17.30 17.70 17.31 17.30 17.72 17.71 17.95 18.01 S/tons High/Low 169.00 181.75 168.75 161.75 168.25 160.50
Apr May Jun Oct IPE Indo Turnove GAS OH Feb Mar Apr May Jun	17.73 17.70 17.30 17.73 17.95 18.01 7 22000 (; L - SPE Close 168.75 168.50 168.25 168.25	17.45 17.33 17.33 17.37 17.87 17.87 34086) Previous 185.75 165.75 165.75 163.25 183.50	18.05 17.39 17.83 17.30 17.70 17.31 17.70 17.72 17.71 17.95 18.01 Srtons High/Low 168.00 161.75 168.50 160.50 168.55 160.50
Apr May Jun Jul Occ IPE Indo Turnove GAS OII Feb Mar Apr May Jun Jul	17.73 17.70 17.30 17.73 17.75 17.75 17.95 18.01 17.22000 (; L - SPE Close 168.75 168.50 168.50 168.52 167.50	17.45 17.33 17.37 17.97 17.97 17.97 185.75 165.75 164.00 183.25 183.25 183.50	18.05 17.39 17.83 17.30 17.70 17.31 17.30 17.72 17.71 17.95 18.01 Srtone High/Low 169.00 181.75 168.55 160.50 165.25 160.50 165.25 160.50 165.50 160.50
Apr May Jun Jul Oct IPE Indo GAS ON Feb Mar Apr May Jun Jul Aug	17.73 17.70 17.70 17.73 17.95 18.01 7 22000 (; L - EPE Close 166.75 168.50 165.25 167.50	17.45 17.33 17.33 17.37 17.87 17.87 34086) Previous 185.75 165.75 165.75 163.25 183.50	18.05 17.39 17.83 17.30 17.70 17.31 17.30 17.72 17.71 17.95 18.01 Srtoni High/Low Field 20 181.75 186.50 160.50 167.25 180.75 186.50 180.50 167.25 180.50
Apr May Jun Jun Oct IPE Inde Turnove GAS Oil Feb May Jun Jun Jun Jun Jun Jun Jun Jun Jun Jun	17.73 17.70 17.70 17.73 17.95 17.95 17.95 17.95 18.01	17.45 17.33 17.33 17.37 17.87 17.87 165.75 165.75 164.05 163.25 163.25 163.25 167.25	18.05 17.39 17.83 17.30 17.70 17.31 17.70 17.73 17.71 17.95 18.01 Srtoni High/Low High/Low 169.00 181.75 168.75 161.75 168.50 160.50 167.50 162.75 168.50 160.50 167.50 162.75
Apr May Jun Jun Oct IPE Inde Turnove GAS Oil Feb May Jun Jun Jun Jun Jun Jun Jun Jun Jun Jun	17.73 17.70 17.70 17.73 17.95 17.95 17.95 17.95 18.01	17.45 17.33 17.33 17.37 17.87 17.87 165.75 165.75 164.05 163.25 163.25 163.25 167.25	18.05 17.39 17.83 17.30 17.70 17.31 17.30 17.72 17.71 17.95 18.01 Srtoni High/Low Field 20 181.75 186.50 160.50 167.25 180.75 186.50 180.50 167.25 180.50

		(141 p.1)	12 Or 100 1	CAG 100
HENCE	<b>5</b>			
REVIE	is (Base	: Septemi	er 15 1931	- 100)
	Jan.15	Јал.14	FINET AD	ут адо
	1602.4	1600,6	1803.7	1680.7
DOM 1	HŒS (Ba	se Dec.	31 1974 -	100)
	Jan. 14	Jan. 13	moth ago	yr ago
Spot	113.68	113.37	113,95	122.49
Puteros	121.21	121.24	120.83	125.74

			PTEMOUS	HIGHLION	
s said. Copper	Mar	732	72)	734 723	
ther in the wake	May	760	752	780 749	
contrast tin	Jul	787	777	787 775	
a new contract	Sep Dec	810 844	802 835	812 891 846 835	
onne for	Mar	873	864	875 B65	
al before buying	Dec	949		950 939	
er moved ahead	7	- 99.67 (	46700 Late .	of 10 tonnes	
uliion market after	ICCO I	er. uori (	prices (SDE	H IU KARRES Se nor tono	et Delk
nd voiatile trade	price f	or Jan. 14	900.35 (905	is per tonn i.13) 10 day	average
market onto a	for Jan	L15 909.99	(915.81)		-
oting. But one	~		don FOX		-
r would have to	CUTT				\$/tonne
e at 425 cents		Close	Previous	High/Low	_
	Jen	1023	1030	1038 1620	
chieve a break	Mar	1001	1005	1008 998	
w trading range.	May Jul	991 1002	1000 1012	1002 990 1014 1001	
old ahead, but	Sec	1014	1025	1025 1014	
was seen capping	Nov	1030	1040	1040 1030	
r end of the new	Turnov	2477 (1	024) Inte of	5 tomas	
352 and \$358.	ICO IN	Scator pr	ices (US c	ents per po	und) to
Reuters	Jan. 14	: Comp. (	daily 62.11	5 tonnes ents per po (62.29) 15 d	ay aver
<u> </u>	age 82	OS (62.06)	1		
X (\$ per tonne)				, March E	
ious High/Low	POTAT		.codoo PQ	<u> </u>	£/tonne
0 183.29 181.60		Close	Previous	High/Low	
00 163.80 183.40 00 186.00 185.40	Apr	118.3	118.8	118.5 117.5	
	May	138.0	139.0	138.0 137.5	5
lous High/Low	Turnov	er 126(126	5) lots of 20	tonnee.	
265.0 282.8			Landon PO		-
268.5 268.0	BUTA				2/tonne
1 271.0 268.5 1 256.5 254.5		Close	Previous	High/Low	
255 D	Feb	130.00		130.00	
255.0	Apr	129.00	127.00	129,00	
lots of 50 tonnes.	Jun	124.50		124,50	
	Turney	er 100(25)	lots of 20	lonnes.	
onne); Mar 1467.65, May	Fimor	17 – Los	den FOX	\$10/led	ex point
		Close			
\$/barrel	_		Previous	High/Low	
	Jen	1559	1556	1565 1550	
revious High/Low	Feb	1559 1602	1556 1885	1885 1590 1903 1585	
7.89 18.33 17.65	Feb Mar	1559 1602 1614	1556 1885 1805	1865 1550 1903 1585 1920 1614	
7.89 18.33 17.65 7.55 18.05 17.39	Feb	1559 1602	1556 1885	1865 1590 1903 1585 1820 1614 1615 1605	
7.89 18.33 17.65 7.55 18.05 17.39 7.45 17.83 17.30	Feb Mar Apr Jul Oct	1559 1602 1614 1614 1396 1480	1556 1885 1805 1806 1403	1565 1550 1603 1585 1620 1614 1615 1605 1400 1500	_
revious High/Low 7.89 18.33 17.65 7.55 18.05 17.39 7.45 17.83 17.30 7.33 17.70 17.31 12.33 17.70	Feb Mar Apr Jul	1559 1602 1614 1614 1396	1556 1565 1605 1606	1565 1550 1603 1585 1620 1614 1615 1605 1400	_
7.89 18.33 17.65 7.89 18.05 17.39 7.45 17.83 17.30 7.33 17.70 17.31 7.23 17.30 7.23 17.72 17.71	Feb Mar Apr Jul Oct BFI	1559 1602 1614 1614 1396 1480	1556 1885 1805 1806 1403 1508	1565 1550 1603 1585 1620 1614 1615 1605 1400 1500	
7.69 18.33 17.65 1.55 18.05 17.39 1.45 17.30 17.30 17.30 17.70 17.31 17.30 17.70 17.31 17.30 17.71 17.51	Feb Mar Apr Jul Oct BFI Turnove	1559 1602 1614 1614 1396 1490 1521 r 273 (20)	1556 1885 1805 1806 1806 1403 1508	1565 1550 1603 1585 1620 1614 1615 1605 1400 1500	
7.69 18.33 17.65 1.55 18.05 17.39 1.45 17.30 17.30 17.30 17.70 17.31 17.30 17.70 17.31 17.30 17.71 17.51	Feb Mar Apr Jul Oct BFI Turnove	1559 1602 1614 1614 1396 1480 1621	1556 1885 1805 1806 1806 1403 1508	1565 1550 1603 1585 1620 1614 1615 1605 1400 1500	£/tonne
7.89 18.33 17.65 1.55 18.05 17.39 7.45 17.33 17.30 7.33 17.70 17.31 12.33 17.70 17.31 17.37 17.71 17.95 18.01	Feb Mar Apr Jul Oct BFI Turnove	1559 1602 1614 1614 1396 1490 1521 r 273 (20)	1556 1885 1805 1806 1806 1403 1508	1565 1550 1603 1585 1620 1614 1615 1605 1400 1500	£/tonne
7.69 18.33 17.65 1.55 18.05 17.39 1.45 17.30 17.30 17.30 17.70 17.31 17.30 17.70 17.31 17.30 17.71 17.51	Feb Mar Apr Jul Oct BFI Turnove	1559 1602 1614 1614 1396 1480 1621 x: 273 (20)	1556 1885 1805 1806 1808 1403 1508 2)	1585 1550 1903 1585 1903 1585 1920 1614 1615 1805 1400 1500 1521	
7.89 18.33 17.65 1.55 18.05 17.39 7.45 17.33 17.30 7.33 17.70 17.31 12.33 17.70 17.31 17.37 17.71 17.95 18.01	Feb Mar Apr Jul Oct BFI Turnove GRAIN Wheat Jan Mar	1559 1602 1514 1514 1396 1480 1521 x: 273 (20) 5 - Lond Close 125.95 127.90	1556 1605 1605 1605 1608 1403 1508 2) los FOX Previous	1565 1550 1903 1585 1620 1614 1615 1805 1400 1500 1521 High/Low 125,70 125,	25 80
7.89 18.33 17.65 18.33 17.65 18.95 17.39 17.53 17.30 17.33 17.70 17.31 12.33 17.70 17.31 17.37 17.71 17.95 18.01 Stonne  Stonne	Feb Mar Apr Jul Oct BFI Turnove GRAIN Wheat Jen Mar Mar May	1559 1602 1514 1514 1356 1490 1521 r 273 (20) Close 125,95 127,90 131,60	1556 1885 1805 1806 1808 1403 1508 2)	1866 1590 1903 1585 1920 1614 1615 1605 1400 1500 1521 High/Low 125.70 125. 152.30 131.	25 80
7.89 18.33 17.65 7.55 18.05 17.39 7.45 17.83 17.30 7.33 17.70 17.31 17.30 17.71 17.72 17.71 17.95 18.01 Srtonno ious High/Low 5 169.00 181.75	Feb Mar Apr Jul Cot BFI Turnove GRAIN Wheat Jan Mar May Jun	1559 1602 1614 1614 1536 1490 1621 r 273 (20 6 - Lond Close 125.85 127.90 131.60 133.20	1556 1685 1605 1605 1608 1403 1508 2) los FOX Previous 128.30	1865 1590 1903 1585 1920 1614 1615 1805 1400 1500 1521 High/Low 125,70 125,1 132,30 131,1	25 80
7.89 18.33 17.65 1.55 18.05 17.39 17.45 17.33 17.30 17.33 17.30 17.30 17.31 17.31 17.31 17.32 17.72 17.71 17.95 18.01 Stonne  Stonne  Gus High/Low  5 169.00 181.75 5 168.75 161.75	Feb Mar Apr Jul Cot BFI Turnove GRAIN Wheat Jan Mar May Jun Jan	1559 1602 1614 1614 1396 1480 1480 1521 F 273 (20 5 - Lond Close 125.95 127.90 133.20 119.00	1556 1605 1605 1605 1608 1403 1508 2) los FOX Previous	1866 1590 1903 1585 1920 1614 1615 1605 1400 1500 1521 High/Low 125.70 125. 152.30 131.	25 80
7.89 18.33 17.65 1.55 18.05 17.39 1.45 17.83 17.30 7.33 17.70 17.31 12.3 17.30 17.72 17.71 17.95 7.97 18.01 Srtonno fous High/Low 5 169.00 181.75 168.50 169.50 169.50 169.50 5 168.50 169.75	Feb Mar Apr Jul Cot BFI Turnove GRAIN Wheat Jan Mar May Jun	1559 1602 1614 1614 1536 1490 1621 r 273 (20 6 - Lond Close 125.85 127.90 131.60 133.20	1556 1685 1605 1605 1608 1403 1508 2) los FOX Previous 128.30	1865 1590 1903 1585 1920 1614 1615 1805 1400 1500 1521 High/Low 125,70 125,1 132,30 131,1	25 80
7.89 18.33 17.65 18.05 17.85 18.05 17.83 17.30 17.31 17.33 17.30 17.31 17.33 17.70 17.31 17.95 18.01 Stronno lous High/Low Stronno 188.75 188.	Feb Mar Mar Jul Oct BFI Turnove GRADE Wheat Jen Mar May Jun Berley	1559 1602 1614 1614 1396 1480 14821 1821 1821 1821 1821 183.20 119.00	1556 1605 1605 1608 1403 1508 2) Ion FOX Previous 125.90 131.50 Previous	1565 1550 1903 1585 1620 1614 1615 1805 1400 1500 1521 High/Low 125.70 125. 126.70 127. 132.30 131. 133.30 119.00 High/Low	25. 80 50
7.89 18.33 17.65 18.55 18.05 17.39 17.30 17.31 17.30 17.31 17.30 17.31 17.32 17.71 17.55 18.05 1	Feb Mar Mar Jul Oct BFI Turnove GRAIN Wheat Jan Mar Mar Jan Berley Jan Mar	1559 1602 1614 1614 1396 1480 1480 1521 F 273 (20 5 - Lond Close 125.95 127.90 133.20 119.00	1556 1585 1605 1606 1403 1508 2) Ion POX Previous 125.30 131.50 119.00 Previous	1565 1550 1903 1585 1920 1614 1615 1605 1400 1500 1500 1521 High/Low 125.70 125. 126.70 127. 152.30 131. 152.30 131. 153.30 119.00 High/Low	25 80 50
7.89 18.33 17.65 18.05 17.39 18.35 17.65 18.05 17.39 17.30 17.31 17.32 17.70 17.31 17.32 17.72 17.71 17.95 18.01 17.95 18.01 17.95 18.01 17.95 18.01 17.95 18.01 17.95 18.01 17.95 18.01 17.95 18.01 17.95 18.01 17.95 18.01 1	Feb Mar Apr Apr Apr Apr Apr Apr Apr Oct BFF Turnove ORADE Wheat Jan Mar Mar Berley Jan Jan	1559 1602 1614 1614 1380 1480 1621 F 273 (20 6 - Lond Close 125.95 127.90 131.60 133.20 139.00 Close	1556 1605 1605 1608 1403 1508 2) Ion FOX Previous 125.90 131.50 Previous	1565 1550 1903 1585 1620 1614 1615 1805 1400 1500 1521 High/Low 125.70 125. 126.70 127. 132.30 131. 133.30 119.00 High/Low	25 80 50 50
7.89 18.33 17.65 18.05 17.39 18.33 17.65 18.05 17.39 18.31 17.30 17.31 17.32 17.70 17.31 17.32 17.72 17.71 17.95 18.01 17.95 18.01 17.95 18.01 17.95 18.01 17.95 18.01 17.95 18.01 17.95 18.01 1	Feb Mar Apr Jul Oct BFI Turnove GRAINS Wheat Mar Mar Mar Jun Jen Berley Jan Mar	7559 1602 16014 1614 1316 1480 1621  x 273 (20  - Loud Close 125.95 127.90 133.20 119.00 Close 119.00 121.00 123.00	1556 1805 1808 1808 1403 1508 2) Ion FOX Previous 125.30 119.00 Previous 119.10 121.30	1865 1550 1903 1585 1820 1614 1615 1805 1400 1591 1591 1591 1591 1591 1597 1597 125.70 125 126.70 127 133.30 119.00 High/Low 118.30 119. 121.50 121. 123.50 121.	26 80 50 50
7.89 18.33 17.65 18.05 17.39 18.35 17.65 18.05 17.39 17.30 17.31 17.32 17.70 17.31 17.32 17.72 17.71 17.95 18.01 17.95 18.01 17.95 18.01 17.95 18.01 17.95 18.01 17.95 18.01 17.95 18.01 17.95 18.01 17.95 18.01 17.95 18.01 1	Feb Mar Apr Jul Oct BFI Turnove GRAIN Wheat Jan Mar May Jun Jan Berley Jan Mar Mar Mar May Turnove	1559 1602 16014 1614 1614 1396 1480 1480 1521  F 273 (20  Glose 125.95 127.90 191.60 131.60 121.00 121.00 123.00 F Wheat	1556 1805 1808 1808 1403 1508 2) Ion FOX Previous 125.30 119.00 Previous 119.10 121.30	1565 1550 1903 1585 1620 1614 1615 1605 1400 1501 1521 1521 1521 1522 125.70 125. 126.70 127. 132.30 131. 133.36 119.00 1630/1.cw 118.50 119. 127.60 121. 123.50 121. 123.50 121.	26 80 50 50

PROS - London POX (Cash Settlement) p/kg Close Previous High/Low

109.0

109.5

Close Prev. High Low Vol

109.0 109.0

Turnover:30 (23)tots of 3,250 kg

128.82 128.20

	BITAL DK					a stibblist	by Amalg	emeted k	jetel
	Close		dous	High/Lo		AM Officia			pen l
	99.7% puris		_				Total da	Dy turnov	er 25
Cash 9 months	1188-8		525 565	1129.5 1189/114		128.5-9 153-4	1188-9	1	20.29
Copper, Gr	ade A (2 per	tonne)					Total da	lly turnov	er 20
Cesh	1207-8	1167		1210/118		90.5-1			
months	1238-6.5	1197	-7.5	1238.5/1	217 1	1219 <u>5-20</u>	1238-8.	_	08,45
eed (f per esh	290.5-1.5	283.		280/288		100 TE A		ally turno	Ver 2
months	303-3.25	298-	5.5_	304/300		198.75-8 100,75-1	300-1	1	5,025
(\$ pe	r tonene)						Total di	ally turno	ver 1,
ash months	7325-35 7400-5	7290 7350		7300/726		298-300	7405 04		
n (\$ per to		7850	-9	7425/736		365-70	7425-35	elly turno	2,054
	5446-65	5475	-80	B450/544	5 7	450-5	10487 0	BIA MAJES	1,
months	5510-15	5633	-5	5525/548		510-6	5500-5	4	905 k
inc, Speck	d High Grad	e (3 per	tonne)				Total dal	ly turnov	er 10,
ash Months	1143-4 1120-1	1144 1115		1140/113 1128/111	5 1	138,5-9 116-7	1125-6		1,683
	g &\$ rate:	11.10	<u> </u>	1100111	-	110-7	1120-0		1,000
POT: 1.755	8	3 ттог	abs. 1.7	267	61	months: 1.	7035	9 11	onth
					N	w Y	ark		
	ULLION MA				144	3 <b>44</b> I	UIR		
	plied by N N		<u> </u>	-1	COL	100 troy	cor.; \$/tray (	62.	
eld (fine o			S edmy	aneus		Ciosa	Previous	High/Lc	W.
lone pening	354.30-354 354.60-354				Jan	354.1	354.6	0	0
oming fix			201.530		Feb Mar	354.7 355.7	355.2 358.2	357.1 0	35 0
ternoon it vy's high	366,10-356	3.4D	20 <u>9</u> ,Ä77		Арг	356.6	357.3	359.2	35
ey's low	353,90-354				Jun Aug	359.0 361.1	359.4 351.5	361.0 360.8	35 36
co Len M	lean Gold L	meding i	Hales (	Ar (188)	Oct	363.3 365.6	363.7 388.0	365.3 367.7	36
mensh mensha	3.45 3.48	6 mg		3.44 3.46	Feb	368.0	368.3	370.0	36 37
nontin	3.46	12 pm	OTILE S	2.40	PLAT	MUM 50 b	oy oz; \$/tn	OY 02.	_
ver fix	p/fine oz		US cts	equiv		Close	Previous	High/Lo	
et	234.90		114,00		Ján	336.9	336.3	338.1	33
nonths nonths	241 <u>.20</u> 248.90		118,35 122,35		Apr	336.9	336.3	341.5	33
months	258.85		32.00		Jul Oct	398.4 348.4	337.8 343.1	342.0 347.0	35 34
					Jen	344.4	344.3	348.0	34
	us Hied by Eng	elherd	Matele)		SELVE	R 5,000 to	by oz; cent	e√troy az,	
	\$ price		2 equh	eslent		Ct098	Previous	High/Lo	-
vgerrand	355.60-3	56.60	202.50		Jan	413.7	407.6	415.0	41
aple leaf	365.00-30		208.00	206.50	Feb Mar	414.5 416.0	408.5 410.0	417,0 420.5	41 41
AM ORADIG	ign 86.60-67.	au .	49,25-4	4./5	May	419.4	413.4	424.0	41
	TIONS				Jul Sep	422.7 426.2	416.7 420.1	428.0 423.5	42 42
uminium (	99.7%) (	Calis		Pute	Dec	431.5	425.4	435.5	43
			Mar	Jun	Jan Mer	433.5	427.3	0 440.6	0 43
	\$ tonne Mar	441				437.5	4312		44
rika price 50	130	155		4	May	437.5 441.9	431.2 435.5	442.0	
rika price 50 50	130 44	155 77	14 74	22	May	441.9	435.5	_	ents/l
ika price 50 50 50	130 44 6	155 77 25	74	22: 72	May	441.9		000 Ba; c	_
rika price 50 50 50 50 pper (Gra	130 44 6 de A) (	155 77 25 Calle	74	22 72 Puls	May	441.9 GRADE C	435.5 OPPER 25,	_	<u> </u>
rika price 50 50 50 50 pper (Gra	130 44 6	155 77 25	74	22 72 Pults	HIGH Jan Feb	441.9 GRADE C Close 95.40 85.50	435.5 OPPER 25, Previous 94.10 94.30	000 Bh; c High/Lo 95.90 95.85	W 94
ika price 50 50 50 50 50 50 50 50 50 50	130 44 6 do A) (	155 77 28 Calle	74	22 72 Puls	May HIGH Jan Feb Mar	GRADE C Close 95.40	435.5 OPPER 25, Previous 94.10 94.30 94.70	95.90 95.90 95.85 98.35	94 94 94
ika price io io io io io io io io io io io io io	130 44 6 6 40 A) ( 140 81 16	155 77 28 Calle 162 82 45	74 4 28 78	72 72 Puts 16 45	May HIGH Jan Feb Mar Apr May	95,40 95,40 95,50 95,85 96,00 96,10	435.5 OPPER 25, Previous 94.10 94.30 94.70 94.85 95.00	95.90 95.90 95.85 96.35 96.50	94 94 94 95 94
rike price 50 50 50 50 50 pper {Gra 00 00	130 44 6 6 6 140 61 16 Mar	155 77 28 Calle 162 82 45	74 4 25 76	72 72 Puts 16 45	Jan Feb Mar Apr May Jun	95.40 95.40 95.50 95.85 96.00 96.10 96.20	435.5 OPPER 25, Previous 94.10 94.30 94.70 94.85 95.00 95.25	95.90 95.90 95.85 96.35 95.65 96.50 65.90	94 94 94 95 94
rike price 50 50 50 50 50 50 50 50 50 50 50	130 44 6 6 40 A) ( 140 81 16	155 77 28 Calle 162 82 45	74 4 28 78 Mar	72 72 Puts 16 45	Jen Feb Mar Apr May Jun Jul Aug	441.9 GRADE C Close 95.40 85.50 96.85 96.00 96.10 96.20 96.35	435.5 OPPER 25,1 Previous 94.10 94.30 94.70 94.85 95.00 95.25 95.65 95.70	95.90 95.90 95.85 96.35 96.50	94 94 94 95 94
iku price 50 50 50 50 50 50 50 50 50 50 50 50 50	130 44 6 6 40 A) ( 140 81 16 Mar	155 77 28 Calle 162 82 45	74 4 25 76	72 72 Puts 16 45	Jen Feb Mar Apr May Jun Jul Aug Sep	441.9 GRADE C Close 95.40 85.50 95.85 96.00 98.10 96.20 96.35 96.50 96.70	435.5 OPPER 25, Previous 94.10 94.30 94.45 95.00 95.25 95.55 95.70 95.85	95.90 95.90 95.85 96.35 95.85 96.50 96.75 96.40 97.00	94 94 94 95 95 96 96
ika price 50 50 50 50 50 50 50 50 50 50 50 50 50	130 44 6 6 140 61 16 Mar 37	155 77 28 Calle 162 82 45	74 4 25 76 Mar 7 30	72 72 Puts 16 45	Jan Feb Mar Apr May Jun Jul Aug Sep Oct	96.40 96.40 95.40 95.85 96.00 98.10 96.20 96.25 96.50 96.50	435.5 OPPER 25, Previous 94.10 94.70 94.85 95.00 95.25 95.55 95.70 95.85 95.85	95.90 95.90 95.85 96.95 96.95 96.50 85.60 85.90 96.75 96.40 97.00	94 94 94 95 94 95 96 96
Fibe 0	130 44 6 140 61 16 Mar 37 10 2 Mar 24	155 77 28 Calle 162 82 45	74 4 25 76 Mar 7 30 72 Mer	72 72 72 Puts 16 45 96	Jan Feb Mar Apr May Jun Jul Aug Sep Oct	441.9 GRADE C Close 95.40 95.55 96.00 98.10 96.26 96.50 96.50 96.50 96.55	435.5 OPPER 25, Previous 94.10 94.30 94.70 94.85 95.00 95.25 95.55 95.70 95.85 95.85	96.90 95.90 95.85 96.35 96.35 96.50 96.75 96.40 97.00 0	94 94 94 95 95 96 96 0
50 50 50 50 50 50 50 50 60 60 60 60 60 60 60 60 60 60 60 60 60	130 44 6 6 140 61 16 Mar 37 10 2 Mar 24 14	155 77 28 Calle 162 82 45	74 4 25 76 Mar 7 30 72 Mar 17 32	72 72 Puls 16 45 96 Way 20 31	Jan Feb Mar Apr May Jun Jul Aug Sep Oct	441.9 GRADE C Closs 95.40 85.50 96.00 96.10 96.20 96.20 96.50 96.50 96.50 96.50 96.50	435.5  OPPER 25,  Previous  94.10  94.30  94.70  94.85  95.85  95.85  95.85  10 42,000 ii  Previous	000 Bb; of High/Lo 95.90 95.95 95.85 95.85 96.75 96.75 96.40 97.00 0	94 94 94 95 95 96 96 96
Fisher   1   1   1   1   1   1   1   1   1	130 44 6 140 61 16 Mar 37 10 2 Mar 24	155 77 28 Calle 162 82 45	74 4 25 76 Mar 7 30 72 Mer	72 72 72 16 45 96 May	Jen Feb May Jun Jun Jun Jun CRUE Feb	441.9 GRADE C Closs 95.40 95.50 95.25 96.20 96.20 96.20 96.50 96.50 96.50 Lalest 10.77	435.5  OPPER 25,  Previous  94.10  94.85  95.00  95.05  95.55  95.65  95.85  95.95  Previous  18.47	900 Bb; c Highto 95.90 95.85 96.35 96.50 85.65 96.75 96.40 97.00 0 US galia \$	94 94 94 95 95 96 96 0
File price 69 50 50 50 50 50 50 50 50 50 50 50 50 50	130 44 6 6 140 61 16 Mar 37 10 2 Mar 24 14	155 77 28 Calle 162 82 45	74 4 25 76 Mar 7 30 72 Mar 17 32	72 72 Puls 16 45 96 Way 20 31	Jan Feb Mary Jun Jun Sep Oct CRUE	441.9 GRADE C Close 95.40 95.40 95.25 96.00 96.35 96.20 96.35 96.35 96.55 E Oll. (Lights) 18.77 18.23	435.5  Previous  94.10  94.30  94.70  94.85  96.05  95.25  95.65  95.85  95.95  Previous  18.47  18.47	000 Bbs; co High/Lo 95.90 96.35 96.35 96.35 96.50 96.70 0 US galia \$ High/Lo 19.00 19.15	94 94 94 95 95 95 96 0 7bann 18
irita price  SS	130 44 6 140 81 16 Mar 37 10 2 Mar 24 14 7	155 77 28 Gaile 162 82 45 May 54 40 30	74 4 25 76 Mar 7 30 72 Mer 17 32 50	22 72 72 72 86 45 96 45 96 45 96	Jan Feb Mar Apr Jul Aug Sep Oct CRUE	441.9 GRADE C Closs 85.40 85.50 96.00 96.10 96.50 96.50 96.50 10.77 16.33 19.03 19.15	435.5  OPPER 25,  Previous  94.10  94.20  94.30  94.50  95.25  95.85  95.85  95.86  18.47  18.61  18.58	900 Bbs; co High/Lo 95.95 96.35 96.35 96.50 96.75 96.75 97.00 0 US galla \$ High/Lo 19.10 19.10	94 94 94 95 95 95 96 0
Files price 69 50 50 50 50 50 50 50 50 50 50 50 50 50	130 44 6 6 140 61 16 Mar 37 10 2 Mar 24 14 7	155 77 28 Gaile 162 82 45 May 54 40 30	74 4 25 76 Mar 7 30 72 Mer 17 32 50	22 72 72 72 86 45 96 45 96 45 96	Jan Feb Mary Jun Jun Sep Oct CRUE	441.9 GRADE C Close 95.40 95.40 95.25 96.00 96.35 96.20 96.35 96.35 96.55 E Oll. (Lights) 18.77 18.23	435.5  Previous  94.10  94.30  94.70  94.85  96.05  95.25  95.65  95.85  95.95  Previous  18.47  18.47	000 Bbs; co High/Lo 95.90 96.35 96.35 96.35 96.50 96.70 0 US galia \$ High/Lo 19.00 19.15	94 94 94 95 95 95 96 0 7bann 18

n nucciled	by Amalo	acreted k	detail Trading)	HEAT	DIG OIL 4	2,000 US gr	ilis cente/	LIS crafts	- Ch	icag	0		
AM Officia			pen Interest		Latest	Previous	High/Lov		·				<del> </del>
	Total da	Dy turnov	er 28,762 lots	Feb	5420	5307	5480	5280	- SOYA	BEANS 5,	000 bu min; (	ents/60lb b	ushel
1128.5-0		_		Mar	5445	5837	5480	5300		Close	Previous	High/Low	_ :
153-4	1188-0		20,296 loes	Арг Мау	5350 5250	5246 5163	5370 5270	5290 5140	Jen	567/6	657/2	571/4	55714
	Total da	ily turnov	er 20,934 lots	Jul	522/5	5130	5245	5t25	Mar May	571/2 57714	560/4 567/2	575/0 581/2	560/0 566/6
190.5-1 1219.5-20	1238-8.	5 1	08,452 lots	Aug	5365	5205	5315	5270	Jul	587/0	578/2	590/0	575/4
			ver 2,673 lots						Aug Sep	590/0 502/4	578/6 581/0	592/4	579/0
288.75-8				COCO	A 10 term	es;\$/tonnes			_ Sep Nov	502/4 897/0	561/0 565/6	595/0 600/4	581/0 586/4
00,75-1	300-1		5,825 lota		Close	Previous	High/Low						
	Total di	ally turno	ver 1,880 lots	Mar	1176	1193	1182	1168	SOYA	BEAN OIL	. 60,000 lbe; (	cents/lb	
7298-300 7365-70	7425-35	5 11	2,054 lots	May Jul	1212 1248	1227 1263	1215 1252	1204 1240		Close	Previous	High/Low	
	Total de		ver 1,032 lots	Sep	1277	1292	1279	1271	Jen	19.25	18.79	19.25	18.75
450-5				Dec Mar	1315 1355	1331 1371	1319 1356	1310 1358	Mar May	19.48 19.76	18.98 19.27	19.53 19.78	18.94 19.27
510-6	5500-5		605 lots	May	1378	1391	1387	1382	Jul	20.04	19.56	20.10	19.55
	Total dal	ly turnov	er 10,250 lots	Jul Sep	1396 1425	1406 1446	1406	1405	Aug Sep	20.22 20.30	19,73 19,83	20.22 20.30	18,75
138.5-9 116-7	1125-8	_	1.683 iots	Dec	1450	1468	0	0	Oct	20.36	19,93	20.36 20.35	20.00 20.10
									Dec	20.60	20.15	20.60	20.35
months: 1.	7035	9 17	onths: 1.8791	COSE	E "C" ??	,600lbs; cer	ts/the		SOYA	REAM ME	AL 100 tons;	Stern	<u> </u>
w Y	ork	-		-	Close	Previous.	High/Low		- ===	Close	Previous	High/Low	
		_		Mar	77,95	77.90	78.20	77.40	- Jan	175.3	172.8		
0 100 troy	cer.; \$/tray	<b>62</b> .		May	80.75	80.75	80.95	80.20	Mar	174.7	1721	176.8 176.5	1720 171.0
Close	Previous	High/Lo	W	Juf Sep	83.60 88.10	83.35 86.00	83.50 86.10	83.60 85.80	May Jul	175.5 176.6	173.1 174.8	177.2	172-0
354.1	354.6	0	0	Dec	89,35	89,40	89.50	88.90	Aug	177,6	176.0	178.5 178.5	173.2 174.7
354.7 355.7	355.2 356.2	357.1 0	354.5 0	Mar May	92.70 94.90	92.90 94.95	0	0	Sep Oct	178.6 193.7	177.0 192.0	180.0	175.5
356.6	357.3	359.2	356.5				•	•	Dec	195.5	193.0	194,5 195,5	189.5 191.0
359.0 361.1	359.4 351.5	361.0 350.8	358.8 360.8	SUGA	R WORLD	*11" 112,0	00 libs; cen	es/lbs		E £ 000 ·	_		
363.3 365.6	363.7	365.3	363.3	_	Class	Previous	High/Los		. <u></u>		min; cents/(		
368.0	368.3	367.7 370.0	365.7 370.0	Mar	8.25	6.30	8.81	8.26	· <del></del>	Close	Previous	High/Low	<u></u>
	roy ez; \$/tn			May	6.31	8.37	8.36	8.81	Mar May	261/6 266/6	259/2 265/4	262/2 260 m	25772
Close	Previous	High/Lo		Jul Oct	8.31 8.38	8.37 8.40	8.36 8.40	8.31 8.35	Jul "	273/4	269/6	268/2 273/8	264/0 266/4
336.9	336.3	338.1	338.1	Mar	8.42	B.41	8.40	8.38	Sep Dec	268/6 267/0	266/2	270/4	265/4
335.9	336.3	341.5	336.5	May	8.36	8.39	0	0	Mar Mar	273/4	263/4 269/8	267/4 273/6	262/6 ·
398.4 348.4	337.8 343.1	342.0 347.0	339.5 345.0	COTT	OM 64 DO	cents/lbs							
344.4	344.3	348.0	348.0	<u>~</u>	Close	Previous	(Hat b		WHEA	T 5,000 b	ının; centu	60% bushel	
R 5,000 tr	by oz, cent	e/troy az.		<del></del>			High/Los			Close	Provious	High/Low	
Ç1098	Previous	High/Lo		Mar May	58.63 58.40	56.93 56.50	57.40 59.00	56.71 58.30	Mar	416/6	413/0	418/0	400/4 .
413.7	407.6	415.0	413.0	Jul	50.75	59.70	60.19	\$9.51	May	401/6	397/2	402/4	394/6
414.5	408.5	417.0	417.0	Oct Dec	62.10 62.65	62.05 62.80	62.30 62.80	82.00 82.55	Jul Sep	378/4 380/6	371 <i>1</i> 2 373/4	379/4 381/4	366/4 <sup>*</sup> 371/8
416.0 419.4	410.0 413.4	420.5 424.0	413.5 417.0	Mar	64,00	0	64.00	64.00	Dec	391/0	384/0	391/0	382/0
422.7	416.7	425.0	421,0		AF -44-	45 455 -			Mar -	301/0	385/0	391/0	384/4
426.2 431.5	420.1 425.4	423.5 435.5	423.5 430.0	U-IAN		15.000 ibs;	cents/lbs		LIVE	ATT = "	0,000 lbs; cer		
433.5	427.3	0	430.0 0		Close	Previous	High/Lon						<u></u>
437.5 441.9	431.2 435.5	440.6	438.0	Jan Mar	165,90	158.05	157.00	156.00	- <del></del>	Close	Previous	High/Low	
		442.0	442.0	May	155.75 155,60	156.90 158.90	156.70 156.50	154.90 155.00	Feb Apr	74.60 74.75	74,27 74,37	74.65	13.61
	OPPER 25,			Jul -	155.95	157.00	156,60	155.20	Jun	70.40	69.35	74,80 70.45	74.12 69.82
Close	Previous	High/Lo	w	Sep Nov	153.50 142.05	155.15 142.65	154,05 0	153.50	Aug Oct	67,82 68.47	67.47	67.95	\$7.40
95,40 85,50	94.10 94.30	95.90	94.50	Jan	141,85	142.50	0	0	Dea	98.47 69,25	67.95 69.05	69.47 69.25	67.80 68,75
95.85	94.70	95.85 96.35	94.70 94.55	Mar May	141.65 141.65	142,50 142,50	0	Ġ		_		•	an./9
96,00	94.85	95.65	95.50		171.00	172.00	0	0	TAE H	OGS 40,0	00 lb; cents/j	be	· .
96.10 96.20	95.00 95.25	96.50 85.90	94.90 85.90							Close	Previous	High/Low	<del></del>
96.35	95.65	96.75	98.00	WOO				ł	Feb	39.77	39.40	30.85	95 07
96,50 96,70	95.70 95.85	95.40	95.40	Price	s paid to: Hittle re-	rail change	stale th	Work	Apr Jun	39.25	39.12	39,36	39.17 38.65
96.85	95.95	97.00 0	96.10 0	L COOSI	no selec i	before the C	Belgiman .		Juj	43.42 44.20	43 <u>.32</u> 44,12	43.80	43.05
	ht) 42,000 (	IS anite *	/barrel	I Drou	ant enect	nave send	ad in Iron	e selene	Aug	42.02	42.60	44.25 42.75	43.75 42.36
Lafest	Previous	High/Lo		bros	der lypes	ories, while have becor	والأحاط وو	dense.	Oot	40.35 42.87	40.45	40.37	30.00
18,77	18,47			1 1000	8 13 17308	<b>CONTROLINGS</b>	in a firm :	with			42.77	43.10	42,70
18.93	18,47	19.00 19.10	18.75 18.52		ok for the	rest of the	-	-			10,000 lbs; ce	nts/to	
19.03	18.70	19.15	18.55	OME	역하 마이 위상	r of deman	d from the	eld	Ent	Close	Provious	High/Low	
19.15 19.18	18.88 18.94	19 <u>.22</u> 19,19	18.90 19.11	Sovik	it Union s	reas. Not d	EVITABLE of	الحصو	Feb Mar	35.4? 38.02	35.05	35.55	3440
19,18	19.00	19.26	18.11 19.18	Was	576c/les. 1	there. The	THE WAY	Gicetor 78c/h-	May	37.25	35 <u>.82</u> 36.78	35.10	34.75
19.25	19.06	19.30	19.95	at th	e closing	sale in Dec	ember.	tem #2	Jul .	37.42	37.25	37.30 <sub>.</sub> 37.85	36.05 36.62
									Aug	36.60	35.45	36,70	20,05



# Early gains reduced before the close

By Terry Byland, UK Stock Market Editor

and a street was a sure of the second of the 

JANUARY 16

The state of the s

The state of the s

It toleran

c. he sall

of agricultural live board the party of the

2. hange is the condition of the conditi

DIES IN MINE

Tree may me

or expenses E

CTROIT FO BEEF

itime of the

Lant. In Est.

COURT (ME DE

i be mei

tion Re

· lo be max

Ditte with a said

iturs

or medicals

n week

at and Ce an at 位置

योहालय क्रिप्टे

,eat sladed

特种种种

१ इतक्ष हुन्छ। इंस्टिक्स वर्षे

G rapi hile for 🚒

International and domestic factors turned more favourable for the UK stock market yesfor the UK STOCK margary yes-terday and London followed the nuward trend of other European bourses. The 80 point Last Design. Average overnight, quickly supported by a strong rise in the US dollar, drove the Footsie shead by more than 40 points in early trading. Later, however IIK grocks has an explanation of the control of t however, UK stocks began to flag and when Wall Street opened the new session 13

were also in the market's favour. The latest UK public opinion poll indicated that the Conservative government

Account Dealing Dates \*Picet Semilage: Dac 80 Jan 13 Jan 27 Feb 5 Feb-3 Feb 17 "Heredians dealings may take place from 6.30 am two brokens days carrier. headed by Mr John Major was

one point ahead of the Labour opposition, the first time since last February that this poll has points down, the early gain in was halved.

Most of the early gain mellected widespread marking in of share prices by UK marketimakers. But other factors were also in the marketimakers. boosted the international blue chip stocks, while the pound's firmness against the D-Mark continued to soothe fears of a

rise in domestic interest rates. And once again, a strong pre-mium on the March futures contract on the FT-SE Index set the pace.

Against this background, the first half of the session was very optimistic and some institutional buying was seen in particular of the privatisation stocks which are influenced by the government's re-election prospects. The electricity stocks, regarded as threatened in the event of a Labour party victory, responded strongly to the shift in public opinion

However, sellers appeared when the market broke through the Footsie 2,550 mark and share prices were already coming off their peaks before Wall Street disappointed Lon-don by failing, in early trading,

to extend the strong advance of the dollar-orientated stocks, the previous session. The final with BAT industries, Reuters reading showed the FT-SE Index at 2,587.1, a gain of 20.8. Trading volume increased sharply to 673.6m shares through the Seaq network, compared with 519.7m on the previous day. Stock Exchange data disclosed that customer, or retail business, remained strong on Tuesday, just top-ping the fibn mark seen as the

sign of a bealthy and profitable stock market in London. Traders said that institutional business was good yesterday but warned that the big funds were salling as well as buying. One leading UK-based house said that the day's trading balance was "skewed towards the sell side."

The Footsie was driven ahead by widespread gains in

and SmithKline Beecham all sharply higher. The oil sector. where a setback last week dragged down the rest of the internationals, continued to recover yesterday in response

based analysts.

Overall optimism brushed off on to the retail and building share sectors, both of which would respond readily to any moves to stimulate the UK economy by tax-cutting or sim-

A handful of weak spots in the market were seen as reactions to specific situations. Lonrho, with trading news due shortly, ran into sellers and back some of recent gains as attention switched elsewhere.

opinion pools showed Labour ahead of the Conservatives.

FINANCIAL TIMES STOCK INDICES \_ Low 87.94 82.17 127.4 49.18 (18/9/91) (2/1/91) (9/1/35) (3/1/75) Fize6 Interest 158.9 152.3 156.3 160.6 151.2 155.0 222.8 127.0 734.7 43.5 (11/7/01) (22/2/01) (15/2/03) (26/10/71) 2579.6 2054.8 2679.6 986.9 (2/9/91) (16/1/91) (2/9/91) (23/7/84) FT-SE Eurotrack 200 1174.57 1149.84 1139.94 1140.80 1140.71 1196.60 936.62 1196.60 938.62 (3/9/91) (16/1/91) (3/9/91) (16/1/91) ●Crd. Div. Yield 4,88 ●Earning Yid %(jull) 7.01 ●P/E Ratio(Net)(☆) 17.92 OCrd. Div. Yleid 4.76 7.14 17.82 7.19 17.48 32,079 27,193 28,526 32,825 28,589 19,510 - 1006.5 781.0 1133.70 1130.00 419,73 - 28,003 28,303 33,215 27,874 18,914 - 426.8 381.2 550.2 537.6 241.5 SEAO Bargos 4.45pm Equity Turnover(2m)1 GILT EDGED ACTIVITY Indices\* Gilt Edged 
 Ordinary Share Index, Hourly changes
 Day's High 1955.7
 Day's Low 1931.5

 Open 1931.5
 9 am 1943.6
 10 am 11 am 1951.5
 12 pm 1 pm 2 pm 1952.8
 3 pm 1945.9
 4 pm 1945.9

 1943.6
 1943.6
 1943.6
 1943.6
 1943.6
 1943.6
 1943.6
 Bargains 5-Day average 82.2 85.7 Day's High 2558.9 Day's Low 2538.4 "SE Activity 1974. FT-8E 100, Hourly changes Open 9 am 10 am 11 am 12 pm 2 pm 3 pm 4 pm 2561.2 2543.9 2541.0 2542.4 2551.6 2552.8 2552.8 2546.1 2536.4 London report and

# Bear raid on Lonrho

sharply in midsession yester-day as a number of adverse stories circulated in the mar-ket. The shares closed 20 down at 143p with 8m traded. UK investment bank S.G. Warburg has been selling the shares steadily for some time and continued to do so yesterday. There were lines of im and 1.4m shares traded

around 160p. Traders said the shares had also been hit by bear raids. Lonrho is in its closed period ahead of the announcement of full-year results on January 23, and therefore not permitted to com-ment on its financial position. There is also a large number of shares believed to be seeking buyers in a market where no one appears willing to pick

then up.
Speculation that Warburg had cut its profits forecast for Lonrho was, however, strongly denied. On Monday, County on its dividend forecast to 120 from 169. The shares have fur-ther been affected recently by "the tycoon factor", the belief that a company run by one dominant individual is vulnerable to unexpected develop-

Negative press comment fol-lowing the resignation of exec-nive director Mr Terry Robinson has also upset Lourho. which has been buffeted by very low metal prices, still bumping along the bottom yes-

C and W doubts Cable and Wireless contin-ued to respond to stories of an imminent deal with AT&T, of the US, but closed well below the day's best after intermit-tent bouts of profit taking during another active trading see-

an all-time peak of 632p at the entset of trading, but quickly ran into a squall of selling, mostly inspired by BZW, before stabilising and then moving up again to close a net 7 higher at 625p. Turnover was a hefty

The shares were hoisted to

Asm shares.

BZW responded to the strength in the C and W share price by removing the stock from its buy list. The investment bank said a bid from AT&T was "possible but militaly" listing many practical and financial obstacles to a full bid. Prominent objections

included AT&T's 70 per cent gearing, earnings dilution, the rarity of hostile US bids in the UK, and the "golden share" in C and W and C and W's overseas licences, which would require bid approval from the relevant authorities. The broker did, however, point out the credibility of AT&T taking a substantial stake in Mercury.

Gas busy

News that British Gas had avoided a referral to the Monopolies and Mergers Commission (MMC) by agreeing to the proposals put forward by the Office of Fair Trading trig-gered a flurry of activity in British Gas shares.

The stock, depressed over recent sessions by the prospect of an MMC referral, raced up from an initially easier 239p to 254p as the news emerged, before slipping back and ending a busy session 3 better on the day at 245p. Turnover in the stock reached a well-above-average 14m.

Specialists have long expressed concern at the prospect of an MMC referral, which some said could have led to an enforced dismemberment of the company. While some analysts said they would have pre-ferred British Gas to have faced up to the rigours of a full MMC inquiry — "they are already staring at a new pric-ing formula of RPI minus 5, increasing competition and a tough 1992 trading year", said one — others were relieved at

the news.

"highly positive" for the shares. "The progressive dividend policy is now likely to be maintained," added Mr Toalster. Smith New Court also adopted a bullish view of the latest manuseving. Mr Steve Turner at Smith said: "It was always malkely that the MMC." always unlikely that the MMC could have offered a better deal than the OFT, it was not a pleasant choice but really Gas had no alternative."

Hanson active

Acquisitive conglomerate Hanson saw very heavy turn-over for the second day running, with the shares adding 8½ at 212½p by the close, one of its biggest price moves for many months. Turnover of 15m shares was the highest since Hanson launched its bid for Beazer in September, and the heaviest among FT-SE 100

stocks yesterday.

Analysts said the shares
were continuing to receive a
strong push from the dollar's advance as half of Hanson's turnover is achieved in the US. There was also support from a news wire story, following a company meeting with analysts, that Hanson is more likely to buy into continental Europe now that rules governing hostile bids are clearer.

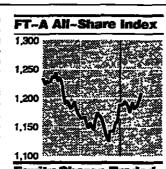
Fall in Guinness Guinness was one of the weak spots in the Footsie, the

shares losing 11 in a strong market to close at 533p with 4.9m traded

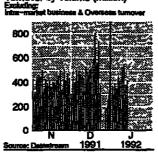
Mr. John Toalster at Strans
Turnbull, long-term bulls of the sector have the stock on British Gas, said the news was

**NEW HIGHS AND LOWS FOR 1991/92** 





**Equity Shares Traded** Turnover by volume (million)



was prompted by a rumour. largely discounted, that the spirits giant was considering a bid for Pernod Ricard. Some analysts have been

adjusting profit forecasts to reflect poor general trading conditions. Strauss Turnbull cut its 1991 estimate by £5m to £960m and 1992's by £10m to £1.115bn but said it remained a buyer. Strauss's figures are still around the top of the range of analysts' estimates. SmithKline Reecham rose

sharply after its Belgian unit said it had developed the first vaccine against Hepatitis-A, a viral disease that affects the liver. The unit said the vaccine was still to be commercialised but hoped it could go on sale later this year. The shares showed a gain of 33 at midday but eased to close 18 up at 963p on turnover of 3.2m.
Glazo was volatile, moving

up 15 in early trading before slipping back on profit-taking. The shares closed 9 down at 916p with 6.5m traded. Broker recommendations were said to have been behind a flurry of buying in the bank stocks. NatWest raced up 12 to

stocks. Natwest raced up 12 to 276p on heavy turnover of 5.3m, with Kleinwort Benson and County NatWest said to have given the stock a push. Utility shares gave a ready response to the whiff of a Conservative victory in this year's general election. Water shares in particular, the regional electricity stocks and the power generators all came in for strong support after a national newspaper opinion poll indi-cated that the Tories had overtaken Labour. Water issues have come

under periodic bouts of down

Challenge for

company warned that profits for 1991 will be around half of

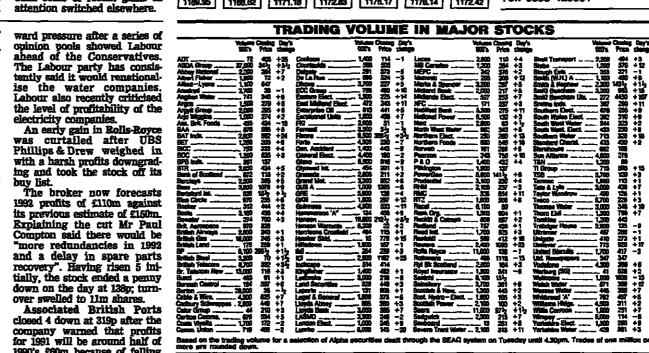
property values.

Forte receded 7 to 230p, depressed by hints of profits downgradings. UBS Phillips & Drew, Forte's broker, emphatically denied market stories that it had lowered its estimation. that it had lowered its estimates for Forte.

MARKET REPORTERS: Peter John. Joel Kibazo,

BRITISH FUNDS

Steve Thompson. E Other market statistics, includ-ing the FT-Actuaries Share Indi-ces and London Traded Options,



**EQUITY FUTURES AND OPTIONS TRADING** 

LONDON SHARE SERVICE

BRITISH FUNDS - Cont.

writes Joel Kibazo.
In Footsle futures, the squeeze in the March contract, up to around 2,600 early in the session, soon gave way to heavy institutional selling as dealers tried to avoid being left with long positions. ft with long positions.

In traded options, turnover tish and Newcastle w
That selling continued for swelled to 51,352 lots, exceed-day's total of 1,600 lots.

both equity futures and traded Wall Street, though March saw options soared to high levels, a modest rally in the dying

minutes of the session.

March closed at 2,579, up 18
on the previous session and estimated fair value premium to cash of 22. Turnover reached 9,157 contracts.

DERIVATIVE markets saw most of the day, further one of their busiest sessions in prompted by the poor opening recent weeks, as turnover in the US bond market and on interim losses, was the busiest stock option. It traded a 10,641 contracts with the April 48 Hanson, also heavily traded in the underlying market, was the second busiest stock option with 3,558 lots dealt. This was followed by Boots with 1,783 contracts and Scot-

tish and Newcastle with a

BRITISH FUNDS - Cont.

**APPOINTMENTS** 

# Barclays pursues Europe

BARCLAYS Bank is promoting two of its key continental European executives in a bid to underline the UK clearer's commitment to further development across the channel. omes director of European retail banking, a new function which he will fulfil from Madwhat he will than them man-rid where is currently based. de Campos is 47 and has been with Barclays since 1973. More recently he has shaken up the Spanish financial establishment, for instance, by ploneer-ing interest-bearing current

besson (above right), who heeds the French operation, is pean corporate banking, also a newly created position. Ram-bosson spent 8 years in London in charge of Banque Nationale de Paris' UK operation, before moving in 1988 to Paris with

ard Carden in London who is managing director of commer-cial banking in the UK and Europe.

Rambosson, who is 54, will among other things assume overall responsibility for corpo-rate banking in Germany, a key country for Barclays par-ticularly since it bought the exclusive blue-blooded Munich bank Merck Finck in Septem-ber 1990. Giles Davison, who is based in Munich since the acquisition, remains Germany's area manager.

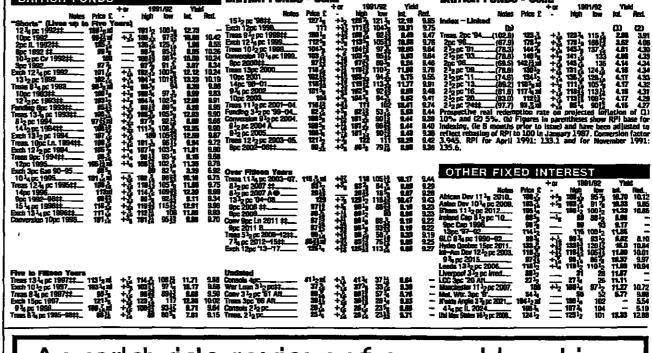
The new posts are two levels down from main board direc-torships. Will Barclays, which last year appointed two non-executive directors from overseas, be cementing its international credentials with a foreign executive director in the not too distant future?

Dobson at Do It All

> jointly owned by Boots and WH Smith. Dobson, who joined Do It All as managing director when the company was formed in June

1990, is retiring at the age of 56 and will be succeeded by Steve Russell, who is currently direc tor of merchandise at Boots the

Russell will have a formidable task in turning round Do It All; turnover fell by 13 per cent in the six months to December 1, and the company is having to define and establish its new concept store in a difficult UK trading climate.



A worldwide review of current banking and finance issues

that doesn't cost the earth

Available every month at principal newsagents and main line stations

£3.50

A FINANCIAL TIMES MAGAZINE

# Carlos Martinez de Campos (right), who has made his mark by introducing innovations to Spanish retail banking,

accounts; he has also pushed ahead to open 33 new branches of the bank in Portugal during

mRODIME, the Scottish-based disk drive company, has restructured its board to reflect the fact that its manufacturing subcidiaries are in receivership; it is concentrating on pursuing patent a full-time finance director.

Meanwhile, Jacques Ram-

infringement actions against other manufacturers.
Thomas Kamp, a senter figure in the US electronics industry, has resigned as chairmen and is replaced by Malcolm McIver, senior pari-aer of Bird Sample Fyfe Ireland, the Glasgow solic-itors, McIver was already a



Barclays is one of the few European banks still to harbour amhitions of a pan-European strategy pitting it along-side Deutsche Bank of Germany and Credit Lyonnais in France. De Campos and Rambosson will report to Rich-

acted as company secretary. Jay Swent is resigning as finance director but will remain a non-executive direc-tor and consultant. Rodime has decided it no longer needs

William Batchelor, a Scot who was a founding share-holder of Rodine, leaves the board, as does Robert Ashley. a US electronics consultant. David Mathewson, a director of Noble Grossart, Rodime's Edinburgh-based merchant

tive director. Peter Bailey

■ Keith Swinley has been appointed group company secretary of LILLEY. David Newcombe, formerly finance director, has been appointed chief executive of PHILIP HARRIS Holdings; Stephen Wood, who has recently been responsible for the group's scientific basiness, has decided to leave. Graham Melmoth, a non-executive director of the Cop-operative Bank, remains

company secretary of the Co-operative Wholesale

Society, and is not the former

secretary as earlier reported.

# Peter Dobson is to be the new managing director of Do It All, the do-it-yourself company

Dobson was not available to comment yesterday, but WH Smith says he is retiring because he has completed his task – that of integrating the Boots and WH Smith DIY businesses. "He's at an age when people are beginning to think about early retirement," says WH Smith.

Dobson was managing direc tor of Payless, Boots's DIY divi-sion, before it was merged with Smith's DIY business. Although the joint venture's non-executive chairman was to be appointed in turn from each of the parent companies, Russell's appointment is based entirely on his qualifications, WH Smith says.

The second secon

INILIDADO SIARRE SERVICE

INILIDADO SIARRE SERVICE

INICIDADO SIARRE S | 1988年 | 198 1/82 Mts inv Cap Ear 204-1, 782.1 1 224-2 220-1, 448.9 226 672.4 110 2,838 674.2 135 583.0 172 1,895 221 368.1 224 383.8 227 748.2 227 748.2 はお地域の同様になっている。 7.52.52.72.00 16.0 16.00 16. Zero Cilv Pf. 18

Billiothypundight. Washington. 19

Washington. 19

July Holdingt. Jove Inc. 18

Cop. 20

Maggior Earo. 18

Cop. 20

Maggior Earo. 19

Magg Mittasi Talyo Y.
Mittasi Talyo Y.
Mittasi Tal & Bit Y.
Mail Aust AS.
Battaffivest.
Colombia.
Bitasi Mess.
Samea Y.
See Pacific S.
Samea Y.
The Missandrat Counted.
Samillosand Tal Y.
Talyo Talia Y.
Talyo Talia Bitasi
Yasa Adbrighten

Albrighten

Albrighten

Anthree

FANKSS 1 f

BEPB. 1g

Segleridge.

Seckleye.

Blook Cords.

7 Sp pt CP P

Snedden.

Brit Dredging.

Brit Fishing. 1g

EXH IE

Calcifored Rob A f

Cape.

2 Apc CV P

Calcifored Rob

Frith.

Excupean Colour

EXT Cape.

2 Footstal.

Frith.

Excupean Colour

EXT Cape.

EXT Cords.

Frith.

Excupean Colour

EXT Cape.

EXT

**London Share Prices** 

Chyline. Cells charged at 48p per minute peak and 38p off peak, Inc VAT. To obtain your free share Code Booklet ring (071 925-2128)

	init Case. Bid Offer or Visid Gree Price Price Price - Gri	Last Core. Side Office or Table Circle Price Price Co.	hat Case. Std Offer or Yield Clare Price Price - Gri	Tait Case. Bid Offer or Viola	Last Case. Std Offer + or Yis Clare Price Price Price - G	juit Come. The Office or Yield Gauge Price Price Price - Gri	Cherry Print Print 110 Mars 2007
AUTHORISED	Britzania Life Unit Managers Ltd (1200)F 190 Wed Goorge St, Glasgoe CZ 2PA 041:332 3132 Balanced Smeth 4175 81 77 00 87 38 July 43 00	Confederation Funds Must Ltd (1290)F Sur Lytine Way, Surveyse, Herts St. 248 0438 744840 Caru Growth Fund	znare Fond Massagers (1200)F	TRYESCO MIN UT Miners Ltd -Confel, SE 2012 H 51/149 8 149 8 160 714 701. 26 Decreso Income Fonds Clottal Income 51/162 94 62.94166 97   1.64[3.73	Manualife Management List (1200)H. St George's War. Stevenge Dealings: 971-254-585 Growth Units. 911 1314 1316 1314 42117 Gift & Fall at 51137-1347, 1347, 13.77 49.98 4915 (Growth S. 5) 1486 6 148.6 139 2144 4915 North Ampricary 2. 51 109 3 1094. 1351 14547-1458	National Provident for Mgrs Ltd (1400)H 6 48Gransfords S. ECP 3HI 8 NP America Aux 7 384.41 89.60 90.004.316.64 8 NP America Day 7 372 27 78.41 81.42 90.004 8 NP America Day 7 372 27 78.41 81.42 90.004	SEL Juvenshment Handsperson 12-20 (1921-1940) 1 Understaft ETA 8887 Sema Andreas 51 (20.11 20.5 197 20.11 20.10 00 Sama Rate Safeta 52 (20.11 20.10 00 Sama Rate Safeta 52 (20.11 20
UNIT TRUSTS	Service Cas 6 64.20 64.20 68.86 410 2.26	Japan	ings celly: 0227-26442]   Inneptice Services: Freephone 0800-289 336   Inneptices: Freephone 0800-289 336   Inneptices: Freephone 0800-289 336   Inneptices: Innep	Berosco Sanasse Frantis   52 - 94   52 - 94   54   54   54   54   54   54   54	GR 6 Fed Int 5154.7 154.7 164.7 14.9 6 9 6 164 Growth 5 1 164 6 164.6 159 2 9 4 4 10.5 164 164.6	10 CE CE CE V . 5 100.3 100.7 119.012.000 25	Same Empared Sock . 3-56 48, 35 49, 35 51, 455 2, 2015, 600 Same Carbon Br 3-1 20, 25 31, 00 54, 34 40, 350 55 Same Carbon Br 3-1 20, 25 31, 00 54, 34 40, 350 55 Same Lagrance St 3-1 20, 25 41, 40 - 300 50 71 (2010 Same Lagrance St 3-1 20, 25 41, 40 - 40 20, 20 71 (2010 Same Lagrance St 3-1 20, 25 41, 40 - 40 20, 20 71 (2010 Same Lagrance St 3-1 20, 25 41, 40 - 40 20, 20 71 (2010)
Abbey Unit Tst Magrs (1000)H 80 Holdenbert Rd, Bournemouth 0345 717373	DO (ACCOUNT)	Pacific Exempt	mailer Cas 51, 193.65 94.59 103 561-0 952.09	V- S-d Manager   Mr /1980/E	Managed Pietlo 54 48 78 48 78 12 23 41.11.7		Same James St. 54 445 99 455 47 48 52 67 15 CT 1
Figh Income Gifts & Flord Int . 6   117 7   124 6 44.7   9.21 High less Danter 6   127 7   124 6 44.7   9.21 High less Danter 6   122.4   222.4   222.4   223.2   24.4   6.49 Worthholds Bood 6   222.4   222.2   223.2   22.6   9.35 Empital Growth 6   223.6   232.6   232.6   7.5   . 90	De (Accom)	Consistent Unit TSt Mayt Co Ltd (1200)F High 1 Write Hart Vd Leader Bridge SE1 177X (07) 407 5786   Ison 1 Write Hart Vd Leader Bridge SE2 17 27 14 1815 74   Int F	noone56 25 43 25 50 17 17 17 18 11 11 11 11 11 11 11 11 11 11 11 11	New Yorks Waterbayers Little University 50, 256, 362 Louist & Gen 5 56, 75 56, 75 50, 98 64, 50 4 50, 12 6, 45 64, 12 6, 47 7, 58 7, 78 8, 7	Marks & Spencer Unit Trust Ltd (1200)F PO Box 410. Creater X. CR99 986 17444800 B & Sie Printo 53 109 8 109 86 17 444 933 Do Accept 101 1 109 119 119 127 344 793 UK Sel Printo 54 107 86 87 886 90 124 1199 13 Do Accept 1	## Water Acc 5 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	34 States 5, Glasges 52 935 041, 357 5590 190 37 5591
Asset & Eurolog 6 129.1 128 7 128 9 24.0 1.15 Asset & Eurolog 6 179 0 179 0x191.4 12.9 3.13 Capital Reserve Acc 0 111.5 111.5 111.6 10 5 6 80 Capital Reserve Inc. 0 188 14 88 14 88 2210 3 bit 80	Conser Scholar J. Co. I tol 170001E	78-80 Combill, Louise ECSV SkJ 077-283 9994 Fatte Sperity Diet Jun 15 - 01652 2 652 2 645 2 645 2 6 Sperity Rev. Jun 15 - 0044 LB 1441 B 1471.bl 532 Gold Consbill Unit Trast Magra Ltd (1009)F UK 4	referent Treebe collection	Kielnwort Benson Unit Trusts (1400)F 10 Feecharth Street Landon EC3 Deaters (171-456 7354 Admir (171-623 8000)	Bo Access	2 Newton Instance 6 151 04 154 704164 63 11 41 6.04	Type East Age
Capital Reserve Iac. 0 88 14 88 14 88 22 42 36 80 20 Capital Reserve Iac. 0 88 14 88 12 48 22 42 36 80 20 Capital & Energy 64 72.09 72.09 77.10 52 481 20 52 52 52 52 52 52 52 52 52 52 52 52 52	UK Gereral	PO Box 136, Beckenham, Kost BE3 4XR 031,445 9611 94555 VIK Emity br 6 44.11 44.90 47.77 6.2115.55 Ameri UK Emity Are 6 91.50 92.67 57.77 6.055.55 Emit International for 6 62.61 52.34 67.39 14.61.80 Emit International for 6 64.99 67.27 7.1364.15.180 Emit	Community 19, 19, 19, 44, 19, 44, 19, 28, 19, 46, 19, 28, 28, 28, 28, 28, 28, 28, 28, 28, 28	Income Trush		Newton lesi Ed 6 99.60 161.78 108.28141.217.47	PP Programme \$137.3 141.5 149.4 (4.3)2.13
Georgia	GCTM20	Property Str Acc 6 20 51 20 51 22 63 40 19 2 45 46 Git & Flore Int. Inc 6 39 23 39 39 41 91 41 65 60 Pactr Can & Flore Int. Acc . 6 49 41 49 61 52 78 42 20 60 India	Forti	Global Seconde 51, 157 4 157 5 147 5	Martin Carrie Unit Trusts Ltd (1990)-M Saithr Pr. 2 (Instel Trust EH) 255 Far Lin Padrido - 54 (22.4) 92.40 92.61 96 051 1495.8 Europe & South - 54   93.51 50 47 46 19 144.694.9 Europe to 54   54.91 95.37 93 77 40 10 10 11 11 11 11 11 11 11 11 11 11 11	Netwick Union Tel Managers (1200M)   P0 Bart 124 31,579 Rev Len Revolut   0.671-682234   P0 Bart 124 31,579 Rev Len Revolut   0.671-682234   P0 Bart 124 31,579 Rev Len Revolut   0.671-68234   P0 Bart 124 31,574   P0 B	Save & Presser Grein (8900)81 16-22 Western Int. State (8900)81 16-22 Western Int. State (811 3.8 State (811 3.9 St. Capital State (811 3.9 State (811 3.
Directal	inc) knows	Arreston	ere Frankes Strakey Fores and Equaty 0138.55 [A1.2] mil 42.20 (2.80) form Bul 0138.55 [A5.5mil 45.4] 0.970 15 form Bul 0138.20 [34.7] 41.8,7 44.8,9	ORDINI WINSS	High Yield 51, 42,99 43,59e 45,27 40 67,6 Charles	## Chart   Cha	Characterist 0708-78686 or FEMN   931-229 4,000
Aberforth Unit Trust Managers Ltd (1600F 16 Crester St. Edinburgh E17 78A 03) 22/00753 05 Smail Co 06/070 0 1/070 0 1127 01 1 Abdrust Unit Trust Managers Ltd (12/00H 100 Crester Commence of Commenc	Principle	Growth	10 10 10 10 10 10 10 10 10 10 10 10 10 1	Access Units1	For Mathema see Caroon UT  Manfleynes Managament Co 14d (1200)F	Mrs. Assertess 6 (30.39 13) 45 139.85 (-3.19)2.22	Coding Commonstry 52 77 22 77 22 6 7 10 10 10 17 17 17 18 17 17 18 18 18 18 18 18 18 18 18 18 18 18 18
ARTICIST L PRINT FIRST MARKENERS LETT (1200MR) 10 Genera Terrace, Abeydran ARV (0.1 1000 RT1568 Area See & Erwith S. 10 50 47 35 47 35 47 46 11 10 15 Employed See & Erwith S. 10 50 47 35 47 45 50 47 46 11 10 15 Employed See & 10 50 47 35 47 45 50 47 46 11 10 15 Employed See & 10 50 47 50 71 17 17 30 4 4 61 15 10 10 10 47 47 50 10 10 10 10 10 10 10 10 10 10 10 10 10	Bryceart Unit Tst Myntt Ltd (1400)F Heiseth He, Portsea So, Wilh GJR 071-735-6582 Income Grands	Japanese	est	Acces (also *** 54 14 82 14 82 46 54 14 20 15 16 16 16 16 16 16 16 16 16 16 16 16 16	PO Bez 249, Berbarban, Keni SRB 449A, 001-66-3311 income 55 221-0 323 0 343 51-62 53 Geharler 54 770 470 2 50 11-52 14-6 Brit Louiser 51 229 0 299 0 307 347 72-4 stollarder 51 54,0 1340 143 38-44-5118 Mercary Fund Managers		Entry Sector Car 2 - Sec   16.27   26.47   27.01   47.07   27.00   27.
Form len 1st Acc 5\ 179 6 285 7 198 2 + 3 4 1 38 Gilt & Freed let . 5\ 15 84 16_3\mid 17 41 (4) 04 11.39	Access Date 51 54 27 54 27 57 53 17 2 54	Emperor Sandi Cos. 00121.7 LTD: 74178-9   Services Sandi Cos. 00121.7 LTD: 74178-9   Services Sandi Cos. 00128-9   Services Sa	C	nul Recursity 55 102 3 102 34 102 44 2301 87 (Accum Units) 55 102 3 102 34 102 44 2301 87 (Accum Units) 55 115 7 1	Mercury Fund Managers Ltd (1000H 33 King William S. EGR 985 Americas Geneti - 5, 142 0 142 0 137 7 8,700 0 (Accop Units) - 9, 151.6 151.8 151.1 16.200.0 Americas Rome - 5, 53 1 36.31 34.4 112.6 0 (Accom Units) - 5 51 07 51.06 1138.6 6 American Rom - 5, 51 07 51.06 1138.6 6		High Nature
Pacific	https://doi.org/10.1016/j.174.814.794.14 (Actess Bailer)54, 3842.0 555.1 377.814.2 5.14 (Actess Bailer)54, 3842.0 555.1 377.814.2 5.14 (Actess Bailer)54, 117.4 127.60 127.6 5.4 5.7 5.7 (Actess Bailer)55, 117.4 127.60 127.6 5.4 5.7 5.7 5.7 5.7 5.7 5.7 5.7 5.7 5.7 5.7	Do Access Jan 10 5 276.9   276.9   291.5    5.63   Ameri Dominion of Secol March   44   7 00005	es	Masse Accum 54, 185.8 185.8 197.7 4.3 181.125 Pacific 54, 190.9 194.1 206.5 4.570.4 1, 4.50	American Sin Cas	4 Accord Units	Try
Acora Unit Trust Managers Ltd. (1100)F 1 White Hart Vd. Louison Bridge SCI. 10X 071-407 5466 Ethica Vd. 65 597 65 49 686 110 11-43-51.35 Ethica Vd. 66 5 510 34 110 446 114 446-371.35 Acoma Frond Managers Ltd. (1000)F	High lease: Peri 4 31 44.95 45.88 47.25 HO 536.57 Berrage Unit Tst Mangert Ltd (0905)F 117 Fercherch 9, London 8C3M 54L 077.480.7216 Swort bered Gilt. 1.1 (10 88 6.288 64.72 l-0.02 k.41	Ventend Crist 15t Mingrs Ltd (1400/h Revision Terrace Edinberch (31-3152500 ***)	R	Georgia   Geor	Decrea Daris	Promiser Administration 144 (1626)#	Companies 5: 1881 1881 200 1-01.14 65 Seath Ru 5: 192-9 1903 122-1-01-05 77 Seath Ru 18 192-9 1903 122-1-01-05 91 El Alia 18 192-9 1903 122-1-01-05 91 Seath Seatlon 18 192-9 1903-04-0712.11
5 Rayleigh Bd, Instan. Easts. UK Easts (arose: 6.1) 59 57 60 6.3 64 50164615.12 UK Easts (arose: 6.4) 54 57 57 57 52 59 28 64 501646 European: 6.5 44 72 65 72 59 28 64 601.03 4th American. 6.5 46 72 65 72 67 24 61 61 17 1.03 For Eastern 6.5 46 71 62 71 62 72 64 17 1.03 For Eastern 75 74 62 75 64 75 65 76 61 76 76 76 76 76 76 76 76 76 76 76 76 76	CCF Foster Braithwaite UT Mingt (1100)F 1 White Hart Yard, London SE1 19X 077, 407 5966 03754 High in Eqs. 55, 416.1 42, 374 45,001 (42, 37, 73) 0754 Min Ref No. 37, 46,17 47,014 50,01 (42, 37, 73)	November 5 156.8 156.8 167.3 +2.46.20 22.5c Nove Asia 5 90.83 97.23 +256.0.53 Private Name Growth 5 80.64 80.64 83.73 +1.270.00 Int Op	Triary Vall 1 (18 1899) 771-733 7533 a Pertfolio 2 297 7 297.7 310.5 (14 24 7 portentias 2 193.76 93.76 99.72 -0.09356 (14 24 7 18 25 18	Europasa	Sections (485) - 2 372.0 772.0 770.4 (1) 672.6 (1) 672.6 (1) 672.6 (1) 672.0 770.4 (1) 672.6 (1) 672.0 770.4 (1) 672.6 (1) 672.0 770.4 (1) 672.6 (1) 672.0 (	Pentirole Actus 5 96.56 99 07 105.00	UK Smite Cas Earls   55   42 25   44 66   47 25   40 7 15 60 7 15 60 15 1 15 1 15 1 15 7 10 40 15 1 15 1 15 7 10 40 15 1 15 1 15 7 10 40 15 1 15 1 15 1 15 1 15 1 15 1 15
Fire Easter	CCF Foster Braithwarte UT Mont C1800F 1 White hart Yard, Lordon SC1 18X	EFM Unit Tet Hages Ltd (1400)H 12.52 Melville Crescest, Edisburgh 1345-070 526 GAM	88 Acpet Management Ltd Sterling Management Ltd James's Place, London SW1 071-493-9990 Lanet's Place, London SW1 171-171-18   290 La intl Jer. 3 528.30 328.30a.349.25   290 La intl Jer. 3 528.30 328.30a.349.25   290	Malment Disc 19930 930 1013 1013 100 Rth Amer Easty 55, 30,97 30 97 22 95 -190 87 UK Emity	Accom United 5 54 65.52 63.52 67.76 12.513.5 1814 hagane 5 45.05 65.17 48.19 40.70 7 4 Accom United 5 56.01 56.17 59 92 40.07 4 180000 5 113.0 113.1 120.7 140.05.8 180000 5 115.2 155.3 165.6 4 240.5 8 4 50.0 180.		Schreider Britt Trasts Lin (14400)* 35 Geber Lane, Linnica ECM 465 Public Dig: 071-405 8864 Bretter Dig. 071-406 0033 Britis Renth Apprilicate A
94 Williams Rd, 617501, 536 LUA 42/2 23/343	CCL Unit Trusts Ltd (1400)F 74 Stephent Back Green, W12 6SD 081-740 7070	Convertibles	2.4 ted. Act 5 (28.3) (38.303/9.25) 2. 90 Company Inc 5 (97.9) 99.99(16.15/4) -1.132.73 Employee Act 5 (16.5) 99.105.59(11)2.21 (4.38)2.73 Frontigon Inc 5 (95.9) 95.99(11)2.21 (4.38)2.73 employee Inc 5 (96.25) 96.25(11).73 (2.71) 1.35 employee Inc 5 (17.86) 1801 (38.41) 97) 279 th American 5 (28.25) 5222.04(27.56) 53 2.79	L. &. C. Unit Tst Magent Ltd (0905)F. Broatesh He, 5 Appel S. EC2A 20A 077, 588 2000 beatet	(Access Betts) 5 300 2 300 2 403.6 47 60 6 9 4 50 50 50 50 50 50 50 50 50 50 50 50 50	100   100	Gecom Britis 6 - 5% 205.4 204.3 217.4 4970.25 Australia - 5% 118.6 112.1 119.5 117.70 93 Gecom Britis - 5% 127.6 129.6 137.6 42.20 93 Chroni Britis - 5% 127.6 129.6 137.6 42.20 93 Chroni Britis - 5% 127.6 124.6 37.20 42.00 97 Chroni Britis - 5% 127.6 124.6 37.20 42.00 97
IF Serv Day Friest Act., st #2.00 #2.42 #5.39 1-120.32 Chill Genick Geneth   5-4. 81.66 81.66 81.76 #4.01.07.6 Account Units 9 5-1, 90.41 90.41 96 81.4047.0.96 Chill British Benore   3-1, 37.32 37.32 39.65   40.414.05 Account Units 4. 5-1, 46.33 40.39 49.29   41.414.05	For CIBC Unit, Tst Mingrs and Brown Shipley & Co	#21 MCCROR 54   51.62 01.62069.78191.396.09	For East Rec 5825-58 185 184196 971	I White Hart Yard, SE1 https://doi.org/10.1016/j.1714.06	Portfolio		Fixed Interest 51, 45,61,46,61,51,22,46,126,25
CAB Pacific Accom 4 - 54, 57 - 36 - 57 - 36 - 60 - 93 + 21.61 - CAB	Emires 6 104.6 106.9 113.8 41.5 2.19 UK Growto 6 113.3 117.3 124.8 +1.9 2.70 UK income 6 98.79 100.3 106.8 +1.25.99	JR Balanced Acc	tt (Juhn) Unit Migrat Ltd (1800)F Ston House, 4 Battle Bridge Lae, Londor SEI 77 7777   Dealling 071,407 7888 Particle Ltd. 54   62.66 67.02   4.95 02 all Crs 54   36 5 37 94 40.58   4.25   4.25   Sibb Crs 54   43.56   33.56   53.76   4.25	Laurentain MS, Harmston, Grownster M., 762. Enquiries 9652, 371500. Gealing 9652, 371500. Gealing 9652, 371623 Growth Yrest	1	Denimi Europi 4. 54, 822.02 122.34 127, 999432504.40 Phillips & Drew Unit Managers Uni C.44000F IA Fleshery Square, Loudon EC2A 170 077-4286070 UK Europi Im 15. 4, 802.17 102.17 104.41 6-3175,481 Charities for Jaco 17. 4, 115.50 115.50 117.621	Olecom Unital 51 129 8 127 8 127 5 14 762 98
Charles France - 5 17.94 39.10 41.67 40713 01. Charles Grantey - 54 47.55 51.44 54 65 46.45.51. PS Portfolio - 55 4.02 54.01.8 57.79 40.70 65 IPS Portfolio Acc - 6 54.02 54.33 58.35 407.0.55 Int Charles A. 45 4.5 4.5 4.5 4.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1	Per CS Find Mags see City Financial UT Centeda Life Unit Tst Migrs Ltd (1200)F High St. Patters Bar, Hers, EMS-SBA 0707 51122 Can See Det		20 Graft 51, 97.04 92.04 98.48 33.06 022 Graft 51, 07.04 92.04 98.48 33.06 022 Graft 51, 08.45 94.55 101.02 12.72 58 121 121 121 121 121 121 121 121 121 12	Forty Finding Augs. 6 55.70 51.70 59.26 40.3 1146 Jugo F Fedoral Augs. 6 55.70 51.70 59.26 40.3 1146 Jugo F Fedoral Augs. 6 56.27 55.27 48.16 14.80 00 Minaged	"Compound Annual Rate Meritin Juniter Unit Tst Myrs Ltd (0905) 197 Kelphsbridge London SW7 1RB 077-581.307 Annual Co	Chartter and Las 10 . GIS-0 115-0 117-02	Accomplete 5, 1574 941 165 (407) 67 (40
inti Growth Acr 6 6 13.03 13.23 17.78 1.1.78 Lef anh 7 manth 4 54 55 30 56 30 79.01 14.67 Promie Performen 5 6 50 50 55 19.41 13.0.69 Promie Performen Acr 6 50 51 16 54 74 4.14 0 49 Public Performen Acr 6 50 51 51 54 74 4.14 0 49 48 52 60 42 61 62	Do Gan Accara	nti Spor Ste Acc	oweb 54 [104 & 104 & 111.86] +2.940 & 1   Herisman 54   41.54 & 43.54 & 43.84 & 3.10 & 47   Hirtiman 54   41.54 & 41.55 & 42.84 & 3.10 & 47   Hirtiman   Hirtim	Lazard Unit Tst Mingrs Ltd (1200)F 21 Moorfield, London EC2P 2HT 071-374 0916 UK Capital Jan 14 - 0/2855 0 285.0 290.1 2 71. UK 12 6 6 7 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Income	Unit Trust Accounting & Management, Ltd 1 White Hart Yard, London SCI, 100. 077-07-7966 2 American	German United \$4, 184.1 187.7 174.8 62 701.87 Tokyo \$4, 77.17 77 58 58.07 of 419.17 Tokyo \$5, 77.17 77 58 58.07 of 419.17 Herman United \$4, 77.57 78.07 28.41(4).926.11 HF 42.78 4.14 4.14 4.14 4.17 17 17 18 4.17 18
9, Anne Man Line 9 146 90 46, 900 48, 46 40, 48, 46 9, Janes Man Le, Kart 9 - 15 1, 48 5 1 3 48 5 1 3 1 4 4, 40, 40, 82 2 6 6 Technical Analysis 9 - 5 ½ 7 6 1, 10 7 6 1, 10 90 26 1 - 0 8 1, 17 4 ALEGON Unit: Trusts 1, 1 4 (1400) F 35 Francis St. Mancheser M2 2 8 F 6 6 1 7 3 6 - 5 6 8 5	Carson Fund Managers Lbi (0639)H 1 8 8 8 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9	Central Ct., Knoll Rise, Prejector, 286 01.4 0689 77938 MIS. J. Common Press. 153-5 163-5 163-6 MIS. J. Common Press. 153-5 163-5 163-6 MIS. J. Common Press. 153-5 163-6 MIS. J. Common Press. 153-5 163-6 MIS. J. Common Press. 153-6 MIS. J. Common Common Press. 153-6 M	200 CHECK #	UK incorrer Jan 14 - 0 200 6 200 6 204 4 5 28 UK Sin Got Rishin 14 - 9 157 4 157 4 1 14 0 3 41 Ecettam Gerb Jan 14 7 .0 77 51 77 51 78 37 1 1 9 Rb Jane Gerb Jan 14 7 .0 60 32 60 32 60 31 0 .0 41 Jan 4 Re Got Jan 14 2 0 57 07 57 09 58 .01 0 .00	Entroposa	Patrix Greek to 17.00 4.25 11.25 14.00 00 UK tor & Gest Acc. old 40.00 47.25 11.35 14.14 12.00 UK tor & Gest Acc. old 40.00 47.25 12.35 14.14 12.00 Premium Life Unit Tat Moors Ltd (1460)F	UK Enelty 54 154 1647 1755 1254 147 1 density Units 54 2019 766 2 153 9 155 155 175 175 175 175 175 175 175 175
British Growth 51 <sub>2</sub> 153.46, 54.07, 57, 531-9695.75 British Income 51 <sub>2</sub> 157.07, 59.79, 63, 64-62614, 43 AEtna Univ Trasts Ltd (1.600)F AEtna Hogse, 2-12 Pentonville Road, London, 81, 996		Fourtable Unit Tims I Managers Ltd (1600)F MSU Valca St., Aylestory, Backs, HP21 7QH, (236431480 Gram septem 5865 5738 66.40(4.20)L87 Mint I W Exstern 5865 2014 166 73 173.51 (44021)L Scalati	Sper + "54   1840   1.4514   184722   19250 rille Unit Tet Magnet Libi (0659)F 184 77 Marcel St. Lordon El BAF (17)   4881212 105 54   67.06   67.06   77.34     2.90	Legal & General (U.T. Mgrs) Ltd (1200)F Admir: 5 Rayleigh Raad, Notion, Brestwood Esser Engaines 0277 227300	International Strategy 6 46-11 46-49 49-46   102 0.0 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	37 Perystems Rd, Rignands Resth 0444 458721. Rightly Resma 6140.66 42.16 44.6890.076.17 Principal Unit Treet Mount Ltd 0.6693F	(Access Valley)
European Genetis 3 177.9 177.9 129.2 in 1921 in 19			Income	Spainy Across 6 6473 5578 7 711 9412 13.73 Equally Impose 6 77.45 75 074 77.85 1405 5.70 For Local Microsco 6 48 67 48,674 52 46 140 8.40 Enroyate	Midiand Unit Trests Ltd (1209)F 192 Eyre Street, Sheffield, S1 3RD Dealley, 0742 520200 British Tst	16 South Park, Sevenaks, Ken 1703 1AH 0732 740700 Principal 1st, 34 149 77 97 91 104 17 141 2613.08 Proliffic Unit 19t Mages Ltd C11009F	Saint Cor 9 320.71, 20 Val. 22.27 (4 VVI) 23 (Access to table 9 5 22.20 21.44 22.50 (AssAll 2.3) (A
Fin & Property 5 43 88 43 88 45,9844534 96 Gecum Unital 5 77.21 77.21 82.67 44.94 96 High Yield 5 77.03 79 03 83,7214896 04 Uccom Unital 5 72.02 822.6 225.8 2406.04 Berlin Graydh 5 74.74 48 81,1871 256	35 Fonetain Street, Manchester M2 2AF	Spairty & Law Unit Test Mages (1200)F Spairty & Law Hee, Corporations (1200) Res American (1	Septi	Far Eastern 6 122.1 122.1 129 9 2.58 10.00 Fland interest 6 45.93 45.90 448.56 40.2.7 65 Gitt. 6 82.27 62.27 67.06 449.7 33 Global Growth 6 51.00 51.00 54.26 14.7 19 94.18 10.00 1.46 2.50 42.2 46.2 46.2 47.18 40.00 42.00	Access telts 67157 7219 7219-12033 200 Eq. (620	Commission Co.   Windows   Even of the Co.	Unique Salamani
locore & Crewth 5 301.1 30.1 at 319 0+355.50 (Access Units) 5 1176 1176 1246,4405.50 [ett Growth 594.16 94.16 100.3 42.8 2 30 (Access Units) 5 100.5 100.5 100.5 102.3 42.8 2 30 [Access Units] 5 100.5 100.5 100.5 100.5 100.3 42.8 2 30 [Access Units] 5 100.5 1	European let:	eneral Acz 5/375-5 3786 402.87-7.29.52 K Grootth Acz 6/2551 259.4 270.0 44.21.399 Graft K Grootth Doc 6/1591 192.2 204.55-5.03.99 I Bel Injer Iza Acz 6/4701 426.9 424.24-5.0 I Bel Injer Iza Acz 6/4701 426.9 424.24-5.0 Grote Injer Iza Acz 6/4701 426.9 424.24-5.0 Grote	und Managers Limited (2000)F munt Ad. Uxbridge, Midds U88 172 0895 259783 d American5 1191 120 40 125:71430 00 d Emity 8 - 5 1870 1949 1788 1279270	Japanese	Extra High Inc	Emipera Norma 51, 52,01 _ 50,01 _ 50,64 .4,05,64 Ukona Ukuto 51, 55,65 _ 53,65 _ 53,55 _ 57,38 4,013,47 Euri Gin Accam 51, 48,24 _ 68,97 _ 51,74,62 40,00 Estra Institute 51, 114,7 _ 116,7 st 12, 12, 101,77 (Accam Ukuto 51, 122,6 _ 122,6 _ 123,44,145,77 (Accam Ukuto 51, 122,6 _ 122,6 _ 123,44,145,145,77 (Accam Ukuto 51, 122,6 _ 122,6 _ 123,44,145,145,145,145,145,145,145,145,145,	Preside V   111   11-3   12   1340  25    Jacom Index V   2   10-5   12   10-12   12   12    Jacom Index V   2   10-5   12   10-12   12   12    Jacom Index V   3   12-5   12   12-5   12    Jacom Index V   3   12-5   12-5   12-5   12-5    Jacom Index V   3   12-5   12-5   12-5   12-5    Jacom Index V   3   12-5   12-5   12-5   12-5    Jacom Index V   3   12-5   12-5   12-5    Jacom Index V   3   12-5   12-5   12-5    Jacom Index V   3   12-5   12-5    Jacom Index V   3   12-
Gecom Uelts	Growth 500 55 100 10 908 10 509 40 50 50 50 50 50 50 50 50 50 50 50 50 50		### Compan	UK Sarcial Sis: 6 84.73 87 144 92.70 14 2 25 Worthands 6 66.53 62.25 66.22 16 77 18.87 Lloyds 84 Unit Tst Mgrs Ltd (1000)F PO Bez 63 Chatham, Kest ME4 478	hecons	Fire East 54, 224.6 214.6 229.014-880.88 (Accomp Units) 54, 28.9 218.3 227.74-890.88 High Income 54, 15.05 83.05 88.55-8255.34 (Accomp Units) 54, 66, 99 86, 99 92.54-4255.34 (International 54, 169.5 149.9 199.5)44.00[1.4]	Int Small Cors
Smaller Cox Ole 55 74.59 78.17st 22.21 44.547.19 Caccan Unitsi 5 111.6 11.5 9 122 8-4307.19 Smaller Cox 5 192.2 202.7 21.47 44.2013.90 (Accam Unitsi 5 26.4 302.0 319.94.1103.90 UK Growth 5 331.2 381.2 at 403 64.805 54.	Vector Bulks 3 990 10 900 10 107 100 101 12 20 1 5 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Prit Patintis Acs		Balanced	(Access Units)	(Accom Units) 54   191.7   191.7   101.4 (4).181.61 18th Avertica 54   193.1   193.2   285.9 (4).7010.00 (Accom Units) 54   193.2   193.2   280.0 (4).181.00 Peri & Ful ht 54   37.25   34.57   41.574   401.00 (Accom Units) 54   37.22   41.64   44.35   42.576   30	Scottish Amicania Ut Tel Mars Lini (1200H 130.3 Vincer St., Glegor CT 300 947 2042200 Emily income 6 34.09 34.92 37 18 457 6 34
(Accum Units)	Geome Units	Settlement and 155 24.55 24.90s 26.56 4.39(Lef) Maries (16) 16) 16 16 16 16 16 16 16 16 16 16 16 16 16	domai	Energy let	Occident Units	Special Sits 54 (88.17 88.174 94.00 41.38.5.35 (46.00 41.38.5.35 4.00	Epolty Strategy 6 49.16 49.16 52.36 1 1014 40 Danquam Oper 6 40.05 10.30 64.30 10 101.30 UK Samilar Or 6 53.75 79.04 41.50(12.34.00 Ukasinar Incore 27 100.71 101.31 402 10.20 Handway 10.00 101.31 402 10.20
incomic Bullet inc. 35; 144 14 45,03; 47, 90143,515,90 income Bullet inc. 51; 51, 51, 67, 52,744 55,00-44,95,90 Altient Burnhar Unit Tata PLC (1600)F Allied Bunhar Centre, Swindon, SNI, 161, 1793,1453,14	Asterica Growth 31-, 120-, 3 29, 9 32, 9 435, 9 55	he Cestars, Bath Road, Dortzes SH10 20S 0380 729200 Geard	61350.6 355.6 379 9146.03.14 less Filight Unit Tst Mgrs Ltd (2400)F ford Street, London SE1.2NE 071.52.21.29 181. 3400 95 1042.1 10749140 1819.81	20 Mccard	Educidas incolorus	Occasi Units)	Actor Processor - 6460-55 6161 6561 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Balancel Trests Crowth & Iscome	Global Sond 54, 20,244 20,244 21,98140,916.37 Hong Kong Gorth, 514, 623, 42,522 63,1644, 691.252 51ccnnee	**************************************	High Income 597.51 98.05 103.21   41.49   54.75   103.21   41.49   54.75   103.21   41.49   54.75	Japan Grown	Gilt & Fued	harmationsi 670.05 70.05 74.5244.011.55 GR - 524.05 34.16 34.94 34.94 14.86.44 icone 6.Gerb - 53.77 53.73 57.36 14.06.44 Europata - 57.75 57.75 77.94 16.011.37	ied income
Immune Trush American Income	Spore & Republic - 54, 34.52 34.52 56.844.1.53 - 1 European Index - 54, 114.9 115.0 122.7+1,82.02 Span Index - 54, 58.6 58.9 62.85+074.0 36 Tiger Index - 54, 58.6 58.9 62.85+074.0 36 Tiger Index - 54, 58.55 58.24.6 63		Growth	# Arr Ser Cn. & Rec 5107 90 109 30 115 10 10 10 00 00 00 00 00 00 00 00 00 00	Bildand FSAVCS Unit Trace*  British	Emerging Mits	Enriquent
Gent Securities 51 30 06 30.06 31,5910 168,42 buteraditional Treats Aver Sec Sits 51 91,61 99 61 106 016 918 910,99 European Growth 5 21 91 21 92 12 32 44 331 23 international 5 117,7 117,7 125,345,3010 99	UK Inder	net En inc	77	Do (Accessed)	Japan Growth 6 36.33 36.77 39.09 40.50 00 stanged 6 52.38 33 10 54.49 40 92 10 56.49 40 50 10 56.49 40 56.49	Providence Capitol Fd Mgrs Ltd (1909)H Shrity Way, Hook, Sants R627 9KA 10256 768083 European ke:	Cash
Pacific	031-228 4477 Destring 0800 813561 Cith lax	# 1555 HR 34 139.1/ 39.1/ \$1.01 ML\$/12.09	by 850 inc25   145.8   145.8   160.71-0.514.77 im25   176.7   176.70   194.81-0.514.77 ax Standard Tst Mingrit Ltd (0629)F 600, Ediaburgh EH15 1EW 9800 838868	Workerda Guth 5217.40 277.40:228.90 (2) (0.94 De (Accum) 5518.60 338.60 335.40 (2) (2) (0.94 London & Manchester Tst Myrnt (1.000)H Wieslade Park, Enster DIS 105	British 6 67 18 68 11 72 46 1 17 3 1 European Growth 6 61 31 61 37 6 53 1 1 107 1 1 GRI & Fried Let 6 97 75 97 75 63 41 143 38 14 lexone 6 58 77 99 87 63 69 69 65 1 Jacob Growth 6 77 44 37 54 40 05 40 56 60	Lippen for	Right Bic Part Inc., 3-4, 26-57 - 26, 52, 28, 27, 149, 375 - 46, UK Bian-Chip Inc., 5-4, 26, 17, 26, 14, 27, 54-40, 67, 31, UK Global Acc., 5-5, 26, 57, 27, 26, 27, 54-40, 67, 31, UK Global Acc., 5-5, 26, 27, 27, 28, 28, 50, 47, 47, 46, 46, 47, 47, 48, 48, 48, 48, 48, 48, 48, 48, 48, 48
Cow & Gitt	Japan Gurba	total Comercials54, 119.07, 19.07 at 20.40 at 235.25 common resett & for54, 119.9, 119.9, 128.6 at 235.76 datalate common resett & for	Better 2: 3   22.47   27.00   30.73   40.32.44   40.32.	American	Managed	WHO IN 15 15 15 15 15 16 15 16 16 16 16 16 16 16 16 16 16 16 16 16	Scatilish Life Investments (1.298)H 19 Station St. Edutorsh 18 Station St. Edutorsh 18 Sant Station St. 1851 1859 185 184 715 FD
Treas Earthigs 51 274 8 274 6d 292 6 (13913.4) Technology 51 483 157 9 (1430.1) 64 (1450.1) 6 UK Special Sits 51 340.4 340.4 342 5 (1430.1) 2.68 Arbert North Unit Tax Rigent Ltd (1,600.1) 7 31-45 (resiam St. Loedon ECXY TON 071-400 983)	Smaller Con 6 28,94 27.95 29,46 140,192.52 1 UK Grenoth Tys 6 28,99 20.99 22,494 31,378 Global Oyas Acc 6 38,30 38,66 41,36 40,598.13 Do locores 6 137.90 38,27 40,93 40,94 60,75 Exp	ppin	y Sharis	M & G Securities (0915)H Three Quars, Tower Hill, ECSR (480, Cast Services 071-026 4588 User Securities (0245 266,266 Amer & General 5 (500 687 bpt) o 318 31-89 910 71	1 White Hart Yard, London Bridge, SE1 077-407.596 International	Hong Rong Icc., 3-5 (0.173 AL.73 Ac.074L79L73 Series Equition Acc. 3-5 (36.45 Ac.45 39.13-403.0.09) Series Equition Icc. 3-5 (36.45 Ac.03 Ac.09.0.09) White Board Acc. 3-5 (36.36 Ac.03.0.0.0.0.0.0) Wheele Board Icc. 3-5 (36.36 Ac.03.0.0.0.0.0.0.0.0.0.0.0.0.0.0.0.0.0.0	Amelia (Shehalar) — \$198.3 189.3 199.8 44.41, to halfolian (Shehar) — \$27.2 24.1 25.8 16.8 15.2 Europea (De Vinci) F. 5139.9 367.4 392.9 45.9 1.43 Worldele (Sheh) F. 514.40 42.40 69.5 41.6 11.83
Arkenight Management (1400)F	Impostophenia - 55   52.00   52.07   52.07   64.07   63.00   Impostophenia - 55   56.02   54.05   57.01   60.00   Impostophenia - 55   56.11   56.50   60.00   60.00   Curessore Unit Trest Magant Lisi (2200) F	recial Siss54, 1273.9 276.0 296.0 4.0010.00 American selectly Select Personal Provider Performance of Common perform54, 153.3 161.3 177.0 46.010.00 Emily oner Sec. Sec54, 153.9 155.4 164.5 4.0010.00 Emily oner Sec. Sec54, 153.9 153.8 126.4 126.5 0.00 Emily oner Sec. Sec54, 153.9 153.8 126.4 126.5 0.00 Emily oner Sec. Sec54, 153.9 153.8 126.4 126.5 0.00 Emily oner Sec54, 153.8 153.8 126.4 126.5 0.00 Emily oner Sec54, 153.8 153.8 126.4 126.5 0.00 Emily oner Sec54, 153.8 153.8 153.8 126.5 0.00 Emily oner Sec54, 153.8 153.8 153.8 126.5 0.00 Emily oner Sec54, 153.8 126.5 0.00 Emily oner Sec55, 153.8 126.5 0	B 0277 227300 Dearing 0277 841390 pully like	German Units) 5849 13 3642 399 4 419 46 71 2 Anne Recursery 5849 13 3642 399 4 419 46 71 2 Anne Recursery 584 7 386 2 328 14 00 16 2 Anne Smith Charles 5942 7 386 2 385 6 483 36 2 Anne Smith Charles 5942 7 596 0 101 4 4 3 0 1 2 4 2 4 2 4 2 4 2 4 2 4 2 4 2 4 2 4 2	Margan Greefell Invest Fds Ltd (1900)#1 20 Fistery Circus, London SC2M 1UT Dealers 071-826 0126 Experies 071-826 012 Americas Gutta 5\ 199.7 199.7m 213.5i+8.70.55 Excessor Dealers 5\ 199.7 199.7m 213.5i+8.70.55 Excessor Dealers 5\ 199.7 199.7m 213.8i+1.5in.06	Emprison Act. 22 (0.4% 94.4% 91.33 M.23012 23 Emprison Act. 25 (94.4% 94.4% 91.32 12.23 12.33 UK Minney Mits Jec. 2 (22.37 62.37 62.64-00.07 9.24 UK Minney Mits Jec. 2 (25.74 52.74 95.74 95.74 97.00 The Hard Act. 5 (25.74 52.74 95.74 95.74 97.78 97.79 12.78 97.79 12.78 97.79 12.78 97.79 12.78 97.79 12.78 97.79 12.78 97.79 12.78 97.79 12.79 12.78 97.79 12.79	Scattlish Mintered You Magain Ltd (1800)H 1973: Viennes St. Gargere 62 Stiff 947, 249,4100 UK Eputh Inc 54, 1222 3. 224, det 279,414,610,44 Do Accom
Fronth	16 Tokenbese Yard, Louise ECZR7AB 071,406,0708 E- Czester Perticile 5 5.6.1 56,73 6.6.84 02,513 4 1 America Perticile 5 50 14 60.22 64,41 42,41.69 6 European Perticile 5 60,11 60,12 64,93 11,24 Januare Perticile 342,96 42,96 35,68 03,440,00 18	uropera	srition 5 80 38 60 38 64.54 (-1.97) 0.00 (-1	Amtralisian	Euroisse 6th Acr. 54, 200.4 200.4st 214.6 (+1.50.0st 10.0st 11.4.6 (+1.50.0st 11.0st 1	Employ Employ 5, 55-19 35-19 37-41 40-112-10 Employ Employ 5, 55-59 35-59 35-59 75-24 43-11-10 Gold frost for 55-5 43-25 43-25 45-27 41-12-12-34 Gold frost inc 55-5 43-15 43-15 43-15 43-12-13-14 Fig. 34 Gold frost inc 55-5 43-15 43-15 43-15 43-13 48-24-13-13-14 Fig. 34 Gold frost inc 55-5 43-15 43-15 43-15 43-13 48-24-13-13-14 Fig. 34 Gold frost inc 55-5 43-15 43-15 43-15 43-13 48-24-13-13-14 Fig. 34 Gold frost inc 55-5 43-15 43-15 43-15 43-13 48-24-13-13-14 Fig. 34-13-13-14 Fig. 34-13-14 Fig. 34-14	Do Access
Master Repost, Cramber RN 10 20P 0293 525-911 Command the Persons 167 62 68.40 71.06 (cd 4.0 Equation Persons Pro. 1150 21 50 21 50 21 (cd 4.0 21 Levit Tel Massacra 1 and C 000035	PacMic Portfolio 5164.71 65.01 69.9140.112.96 1 UK Iscome & Granth . 5153.65 553.93 57.99140.3617.28 1 Fer CRAN with Tat Mingrs see BL Ualt Tst Magns S	Santa St. 78.66 77.77 (2.23) 4.781.00 Santal Santal Santal St. 188 (2.23) 4.781.00 St. 188 (2.23) 4.78	Computes 5   24.14 24.45 25.01 (408) 2.65 Contractor . 5   33.88 33.88 35.04 (407) 2.65 Protect Unit Tot Stogent Lid (1200) F 1 2003 Sections Contract Contract Contract Contract Contract Contract Contract Contract Con	Octors Ultris:	UK jog 1790er Act. 5   132.0   132.0   140.9   142.0   33.1   132.0   140.9   142.0   33.1   150.5   162.4   140.0   25.1   151.5   162.4   140.0   25.1   157.4   157.4   156.7   162.5   162	See Nankard for \$5, 44.14 44.14 47.433-1, 352.49 IN Hayal PD Ace \$5, 45.15 42.15 42.54 43878.00 In Hayal PD Inc \$5, 45.15 42.15 42.54 43878.00 In Hayal Hayal \$5, 45.75 43.75 43.75 43.44 1250.45 Hayal Hayal Tumb. Review Hall Tumb.	Ward Incomplet
PO Box 1.28, Beckentain, Kent BR3 4PN 081-6633030 Entendement 1-51 BR 71 BR 71 BR 71 GR 97 BR 71 FT 1972 Envisor Brs - 51 BR 71 BR 7	Chartered Asset Mograt Ltd (1700)F  13.1 Farringdos Rt, Losdos ET.R 340 077-837.7667 F  UK Growth 39 04 7 72.69 97.57   122.13 05 10 10 10 10 10 10 10 10 10 10 10 10 10	CAR - Ret incore reinvestas - Facility - Fac	2003 Brestweed, Esse CM13 107 of Feets: .5%1 54.4 54.4657.0164170.80 85s	Egolty Income 528.65 225.7 238.7 43.07.81 Quanta Units: 5299.8 497.0 261.3 43.3 7.81 Europea 5813.3 315.84 314.2 4.61.43 (Accent Units: 5887.7 386.4 413.7 42.0 1.43 European Divident 5.147.24 47.469.5 53.46.5 54.8	Managed Acr. 51, 102 8 102 8 110 2 4 2 2 1 27 Carl Inc. 6 100 10 100 16	Grind Communities _54, 48,55 48,74 52,13142,10,46 Global Portfolio _54, 48,55 48,74 52,13142,10,46 Global Portfolio _54, 48,45 49,02 52,43142,110,45	10 ACCOM
UK Growth Dist 54 164 out 67 60 73 781/1.2813.35 UK Inches 54 156 33 56 33 66 231-07.17 44 BSI—Thernkiil Unit Trust lifers Lbit (1200)F	City Financial Unit Trest Mages Ltd (1100)F F 1 White Hart Yard, Looden Bridge, SE1 071-4075966 A	oreign & Colonial Unit Magnet (1290)F income desk PO Bor 2001, Brastomod, Esset CM13 100 (Accum contract/0277 22/300) Desting (0277 24/10)0 High in contract/0277 22/300 Estre in Contract/02/300 Es	teine Presid 6 Gerth 51 <sub>9</sub> 188.71 188.71=200 96 1-2 785.65 United 51 <sub>9</sub> 1883 43 453.44± 462.91-614 5 65 1992 51 <sub>9</sub> 273.48 275.92 251, 281-29 77 181-29 181 181 181 181 181 181 181 181 181 18	Viccom Units)	For Geoffrey Mortey san Commercial Union		The Account   \$1, 41.5   \$1.5
28 St. John S. S. London ECIM 44E 077. 751.6767 Cuptain 525 59 54 65a4 50 66 62 731.599 Decreases 5147.59 47 98 51 04140.061. 70 Ballille Gifford & Co. Lbd (1440)H 1 Recised Court. Editology & Frider 071. 222.4542 56 Aversica 9 5200 7 200 7 213.54 81 80 00	Cay Foundal Anets . 5 49.93 51.46 54.19 49.712.90 0	teos lecome	Cas Div. 54, 1946 1946 11111 10 07 5 06  40.12 41 A. 3 42.24 41.5 1111 12.05  denote 54, 40.12 41.A. 42.24 41.5 112.05  denote 54, 40.12 50.14 12.15 50 0 0 0 0 1 1 1 1 1 1 1 1 1 1 1 1 1	Accom United 55,739 674,0 712,81-93 10 Georgia (20-1) 5142,94 674,0 712,81-93 10 Georgia (20-1) 5142,94 43,00m 45,50+0.9 53 Marson Beat (20-1) 5100 78 108 8 1151 1-21 53 Glk Income 5128,44 58,50 61,40+0.1 9,42 Accom	Marray Jelasshore UT Migust (2,000) 7 West Rills S, Cissope E2 27X Acares S, Cissope E7 07 07 07 07 07 07 07 07 07 07 07 07 07	Prodential Unit Trests Ltd (1430)H	Wolfe Verbreite
BG Com & Ges 5   40 99 40 99 43 84   41 17 9 17 BG Energy \$ 5   277 8 277 84 300 7   49.8   2.03 BC Energy \$ 1,32 8 12 3 12 13 18 18 2 2	AND DESCRIPTION OF THE PROPERTY AND THE PROPERTY OF THE PROPER		Marker - 24 /24.75 /24.74 84.3   3.550.79	High IncomerCS-11 5 18.57 18 60 at 19 70 40 317 16 (Accus Units) (CS-1) . 5 65.06 65.10 68.90 41 17 16 18 18 18 18 18 18 18 18 18 18 18 18 18	Olympian Incom 54, 43.89 43.89 46.84 48.87 5.66 UK Growth	Intermediary Coaling USCO CLOS67	Scottist: Provident Inv Mgt Ltd (1,000)F 6 S. Andres Sc. Edinberg E12 27A 6 S. Andres E12 27A
Japan Ed Jan 15 . 2 355 4 535 4 572 2 +5.2 0 00	Entertainent Adetser – Fairmeurt Stackbreiturg Ltd. Faircent Cap Guth 5 95 56 97 48 102 62 - 925 0.94 F	etherstade N.—74, 1792, 773.9, 767.0;422.0,73 entitle Adult W.—74, 186.9, 186.9, 1933.148.51.97 Franklagten Unit Mogt Ltd (1200)F Sether 55 Bishopspit, Lordor ECRN 377 671-374.4100 Facility entity (1888) (1888) (1888) (1888) (1888)	1   21   21   30   4   50   21   1   1   1   1   1   1   1   1	International Inc 568 10 68 70 72 60 41 1 5 96 (Accom United)	NFU Merbeal Unit Minges Ltd (2.400)F Admin: 5 Rayleigh Razil, Hation, Brestwood, Exec Engelted 6277 227300 Joseph Engelted (2.2722) 22 26 49 (2.414) 313.66 NM Unit Trust Moors (1.200)F	United Comment of Edd M Lands Street Land	Circhel Income Act. 6 25.07 21.55 ar 24.94 42.55 43 60 60 feet Income Act. 6 125.07 21.55 ar 24.94 42.55 43 60 feet Income Act. 6 12.95 19.06 20.04 62.65 65 feet Income Act. 6 22.17 21.56 22.96 42.94 63 Market Landers Inc. 6 12.33 12.70 20.02 feet 324.63 Section Wilders Found Margaret (165.59) H
36 Quera St. London, ECOR 1.8M 071-899.8673 Bert & Crons 5191.6 191.6 201.715 901.192 Inv Tracts 5195.44 95.44 100.5 10.94 Captal Court 5190.32 90.32 95.07 [3.03	City of Landon Unit Tet Mars Ltd (1909)F G	cense Units)	merican	Accom Unity	The Bilton Cours, North Harbour, Portsmosth Condiries: 0705 372222 boules: 0705 397730 American V	Hottors Intl Sm Co. 6, 522.42 52.42 56.06 +0.91 7.44 Hottors Japaness 6, 527.64 128.49 157.42 +1.40 0.00 Hottors Japaness 6, 527.64 128.49 157.42 +1.40 0.00 Hottors St. August 42.00 17 103 17 103 17 104 17 105 17	PO Ban (PAZ, Edindum) EMES BENEFICE (WEST / PAR Benilty Ass. 6 (2) (4) (4) (4) (4) (4) (4) (4) (4) (4) (4
Exercise Funds	Cierical Medical Unit 7st Mgrs Lis (1209)F 6 Narrow Pislo, Brissi BS2 U.H 99900 773993 6 Auerican Cesti	comm (belts) 5 313 4 313 4 333 1 100 E 00 97981	26 133 4 154 34 154 35 4 150 07  mericar 25 123 16 123 16 127 77 44 34 54  lect	Access Beitel (20-1). 5] 99.01 40.00 42.504 47.5 15 food General (20-1). 5] 43.17 45.204 47.80 40.3 5 4 Access Warts (20-1). 5] 48.45 49.70 5 3.20 40.34 64 Access Wells (20-1). 5] 48.45 49.70 5 3.20 40.34 64 Access Wells (20-1). 5] 47.90 89.30 95.60 40.64.64 (reside (20-1). 5] 27.78 29.90 13.50 40.25 53.3	Mezzen Unité 9: 5-1; 250.80: 200.80: 247 60: 1430.2.17 Conzienz: 5-1; 53.2.1 59.2.15 6: 78: 470.1.37 Mezzen Unités: 5-1; 54.57 56.57 60.37 40.30.1.37 European	Holbert Sec 375 - 6 (3) 46 53.68 39.99 -0.75 (6) 52 7.5 (6) 53.69 39.99 -0.75 (6) 53.69 39.99 -0.75 (6) 53.69 39.76 (6) 53.69 39.76 (6) 53.69 (6)	Emony Mc
Unicore America 5% (87 92: 67.928) 95 56) 13.201. 45 To June Bernery Act. 5% (50 01.528; 51.47.42.00) 49 Do Aust Act. 5% (17.6.174.0.185.1.46.42.56 Do Aust Rot. 9% (12.1.112.38) 119.5 44 12.56	Equity High loc	come & Graeth			Extra Income	For Regease Life Unit To. see ASSON Unit To.  Relitance Unit Mayes. List (1009)81  Relisant House, Tashringe Wells, Unit. 0692 530053  British Life	Japanese Acc. 6 2074 5 200.1 224 (0 44.1 5 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Do Euro Gertham: 54, 100 8 100 9 107 2 41.1 11 79 Do Euro Gertham: 54, 96 96 96 13 102 1 1 1 10 1.79 Do Euromet 362 33 62 77 66 93 10 12 12	Japan Groeth	om 6 6a 5 129 6 129 6 129 9 1310 00 FM Care and Bulks 5 130 9 130 9 140 3 41 3 60 00 FM Care amplifytitle in 5 74 92 78 92 80 % 40 92 14 6it 8, 6 com Belty 5 77.58 77.58 61 66 ft 92 14 6it 8, 6 com Belty 5 175.8 77.58 61 73 74 600 60 60 60 60 60 60 60 60 60 60 60 60	19	High Income	Access United 9 54 . (30,71 . 30,71 . 33,02)-6 97 0,00 Income	Book down March (Inth Yard) 1 at 1000000	Semper Endern Faud Mark Utd (1200)F Admits 5 Ryleigh Rd, Nation, Bentsmad Fasts Enderles (227 22730) Sector Remover
De SGD 51, 3133 3193 342 4 +2 24.55 Do General 51, 197.5 198.2 212.0 +3.44.26	Colonial Matural (Init Tet Many 1 to 12200E   1	Solution 25, 37 122.1 122.1 131.2 14.00 00   Internal to the late of the late	local 9 6 169 30 169 34 181 0 44 31 15 ca 9 6 12.00 52.00 92 61 10 10 00 r General 9 . 6 130 2 130 24 139 2 42 40 00 neron 9 6 48.61 48.61 51 481-1 91 58	htt Bood	Say & Materian _ 54 98.19 98.19 105.20  -1.590.00 Access Units 54 102.20 102.20 109.50  -1.700.00 Septim Const 54 122.81 22 122.20 109.50  -1.700.00	Managed	Shapp (Affect E.) & Co (1000)F Monic: 5 Rodelph M Button, Breatwood Emer. Enteriors (2077) 227300 stall Enter 6 Co. 1, 1025 1027 100 100 2077 26,1010 stall Enter 6 Co. 1, 1025 1027 100 100 2072 26,200 Pental Pental 4 — 75, (1205) 135,0
00 trzone 9 t 1900 6 404 9 433 1,492/6 71 Da tenume Bullow - 31, 48 39 49 91 53,10 48 446 94 De let l husenta - 5 t 47 41 47 50at 50 53 10 80 34 95 De Jea & Gan Acc 5 t 140 1 140 4 148 6 2 6 60 00 Da Jea & Gan Acc 5 t 140 1 140 4 148 6 2 6 60 00	Compercial Union Tet Mgrs (1600)F	h Guth Inc	585 - 6134,4 114,4 1223+12351 120 - 685,37 85,37 91,30 657,222 125 - 6134,4 114,4 1223+12351 125 - 6134,2 40 20 42,79 +1,42,29 1	ló Caurt St. Haddington, E. Lóthlan 062 062 5867 (W John Invisions 00.053.8 1053.8 1076.5)	Accom    Indical	Rothschild Fund Management (1008); Schildrich Low, Longe ECA Designet(17)-265 5000 SC Schildrich Low, Longe ECA Designet(17)-265 5000 SC America One 605.100 Schild Sc	Peter Protect - 3, 1120 p 131 1310 e12 c 1 Santher Co 5152 5 5 6 50 e12 c 4 Singer & Friedlander UT Mignet Ltd (1008) F 21 New Street, Bishoppade Ltd. 822 e178 071 523 3000 Engages - 644 51 47 51 47 56 13.2
Do Lamer Co 5C 92 49 94.15 100.7 4108 2.82	CU American Gu	intle Street, Salishary, With.  Salingto/722 411.412  Femily Dec	FCO MIM UT Mayers Ltd (1009)F orbite Squire, Leader, EC2M 4YR 071-626 3434 Dentlag : 0800 010733			ACL Smile DK Cos 6125.77 (92.37 271 1776: 56.27 RC Smaller Enry 6500.13 206.15 216.39 (42.38 ), 22 RAB Ferrand Personal Pers	Smith & Williamson Unit Tst Moss (1600)8"
On Sect. Lists. 54, 173.0, 173.0, 167, 2142,713,65 Do Tresser	CU House Gold Acc. 6 13.31 13.31 13.44 - 4.25 0.00 0 CU House Gold Acc. 6 13.31 13.31 13.44 - 4.25 0.00 0 CU Mitthy hat Plus 6 13.4 44.07 14.31 - 1012 0 44 CU Manages	Marin 5145.23 45414 4747 4744 4845 7000 100	Trian 54, 69.30 49.30 52.30 10.60 1.88 Comm. 54, 69.30 49.30 152.30 10.60 1.88 Comm. 54, 62.30 10.9 22.95 10.72 2.01 February 5.6, 22.95 10.72 2.01 10.10 23.35 10.30 2.69 Emily 5.75 10.7	Guide to pricing of Au Compiled with the assistance of	thorised Unit Trusts  1 Lautro	AMERICAN	A W Castal 5 44.75 94.75 100 7 10 10 10 10 10 10 10 10 10 10 10 10 10
S'est tre Failez: 31476 7 476 7 476 61-0224 70 Set tre Failez: 31259 8 257 8 270.619 64 70 Barling Faind Mantagers Life (12000)4 PB Bor LS Bestenbarn, Rost BB 496, 081-058 9002 Americas Growth. 5175 23 75 234 79 591-391	CU Swater Cos 6 27.56 27.36 24.32 (4).137.29 F	Hith Accest Dist _ 51/3 69 143 994153 18 14 79 0 76 General Access _ 5134 44 154 764064 64 622 0 76 General	Inits 5'4 (66 90 66.90 73 20)41,04(3.24 Earlites 5'4 (60.92 60.92 66.72 40 97 43 1 Ush Car 5'4 (41.35 41.35 44.38 41.46 266 4 4 12.21 75.00 44.31 1.01 Mars Ma 5'4 (70.21 70.22 75.00 44.31 1.01 Mars Ma 5'4 (64.31 64.31 64.75 14.46 2.94	cocks, including commission paid to intermediates.	HISTORIC PRICING: The latter it denotes that the standards will normally deal on the price set on the dust most relatedon. The prices obeyon the latter prices.	Denoit	4 W Shiele
America Smit Co	125 Access	Access	125	OFFER PRICE Ato called lease pice. The price of which units are bought by inventors.  BID PRICE. Also called addression ories. The	are the latest available below publication and may not be the careast dealing invest because of an intervience particle investment or a contact to a forward pricing latest. The investment and deal at a forward price on original, and may show to forward price on original, and may show to forward or the price on original, and may show to forward price on original, and may show to forward price on original.	Immer: 51,40.75 41.24 07.00 41.45 European: 51,60 66 64.26 67.01 67.15 6	Seclete Generale Touche Remnant (1680)F
Equity Japane	De Actaun f	A Unit Trest Mayer Ltd (1000)H https://doi.org/10.000/H https://doi.org/10.0000/H https://doi.org/10.000/H https://doi.org/10.0000/H https://doi.org/10.0000/H https://doi.	0000 - 34.7 54.7 54.7 10.7 10.00 10.	proc it which wish my odd back by measters.  CARGELLATION PRICE: The minimum redemption page. The machine spread between the other and bid palong is distancied for a formats had	FORWARD PRICING TO THE STATE OF	Royal Life Fd Mgmt Ltd (1900)F	### Card Open Act Control (1) - 200 (220)  ##################################
Global Bond 51 52 43 52 43 55 21 1400) 77 1 Global Growth 51 86,08 86,004 92 01 1414 1 1.5 1 Japan Growth 51 146 4 136,7 141,0 0.0 1 Japan Santha 51 118 4 118 4 126,214 2 1 0.0 1	Equity Income	T Half Managers 1 bt (1200)	redalid Pereb 7 Se 54, 15.29 55.29 57.49 (-1.34), 47 7 Se 54, 41.30 41.50 (-1.84), 43.6 (-1.54), 54 54, 35.73 36.73 (-1.24), 54.2 (-1.54), 59 101 54, 37.15 37.15 41.01 (-1.54), 59 101 54, 37.15	down by the government. In practice, must got least communic deute a court manner operad. As a moral, the bid prior is often set above the			America Greene S. 30. 40. 60. 40. 60. 60. 60. 60. 60. 60. 60. 60. 60. 6
UK Greeth 5/54 71 55 77 59 32 k0 56/42 / UK Smaller Cos 5/64 41 66 93 73 72 k0 6/22 /	Professor	(Capital (Max) . 54 133.30 133.30 142 80 40 00 4.46 Bassas (Capital (Max) . 54 229.60 229.60 234.90 14.70 4.46	Status . 54   58.67   50 e7   53 834   607   2.66   Growth54   38.57   38.57   42.01   4.81   04   In Cos54   94.45   94.45   100.3   41.21   -   In Cos54   94.45   94.45   100.3   41.21   -	and guy assets in exemissions in specifical of	SCHEME PARTICULARS AND REPORTS: The least recent report and achieve purificates can be obtained from at charge from found reprogram.	Miller Bull Cards	Personal Grands 54, 60.30 40.30 64.00 64.20 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
11. Blantfield St. Longon EIZM 218 071-774 2623/4 America 9 50,57 69 157 69 175 67 2.73 UK 6. European 50,24 39 174 39 360 151 2.62	FT LENGT 6877 5127 5130 714 570 83 12 PPT Horp Keng. 6 549 5 449 6 845 5211 13 4 14 14 14 15 15 15 15 15 15 15 15 15 15 15 15 15	on westers () 24: 74: 21: 74:21: 78:83-62:910-58  ers Spec Stor	ref _ 51, 86, 91, 65, 95, 92, 121, 410, 1.65 hat 3 51, 80, 98, 80, 99, 73, 77, 41, 81, 1.65 the Car _ 51, 17, 74, 17, 74, 174, 174, 175, 175, rest 51, 52, 15, 52, 15, 52, 174, 81, 183, 183, 183, 184, 184, 184, 184, 184, 184, 184, 184	examples a region is the time of the med by offer extension point unless contains then is indicated by the symbol alteration for traffichall with test again. The approach are as follower (1971 - 0009 to 1980).	Other explanatory unter, any contained in the last column of the FT Managad Funda Servica.	0 A max (MATHUR) - 34   121 2   127 2   129 1   4   14   15   15   15   15   15   1	TREE SERVICE 55 日本 大郎 アンファストン
Seint Managem 6 F., 3/33 03 33.51 95 427-6436 23  Bell Court Fund Mongt PLC (1.4400)*  11 Bloomfield St. Lowjon E278 218 071-774 2023/4  America 9 - 5827 97 127 37 356 13 12.62  For Biotopoyate Progressive see St. James's Place  Brewlin Dolphine Unit Tat Migra Ltd (0.902)*  For Biotopoyate Progressive see St. James's Place  Brewlin Dolphine Unit Tat Migra Ltd (0.902)*  For Biotopoyate Progressive see St. James's Place  Brewlin Dolphine Cit.4 902 07-226-6441  Bolcha-Social St. 1-3; 1138 2 118.2 126.4 40 613.30  Dolphin Brodeni 37: 30 44 56 40 60 36 49 68 80  Bolghan Int in Action 1, 37 18 37 32 39 94 16471, 77  Bolghan Cit & Gen 37: 37 18 37 32 39 94 16471, 77  Bolghan Cit & Gen 37: 37 18 37 32 39 94 16471, 77  Bolghan Fattl Frank 55; 146 12 47 98 51.31-0.121.25	PPI Sore & Mallys 671.77 71.72 71.72 75.09 404000 in PPI Sore & Mallys 671.72 71.72 71.72 75.00 404000 in PPI Clobal Bonet 6544.53 64.87 67.01 90554.82 W PPI Thai 657.04 73.53 97.791.794.47 U PPI Cont 657.04 73.53 97.791.794.47 U	The color \$4 \$7.8 \$7.500 to 1.5 \$1.74 \$1.30.45 to 1.6 \$1.50 \$	orf _ 51, 65, 91 db, 94 02, 12 db, 91 16 16 16 16 16 16 16 16 16 16 16 16 16	house; (46) - *101 is 1400 hours; (46) - 1401 is 1700 hours; (46) - 1705 is reliable). Daily degling priors are set on the hooks of the value hours are set on the hooks of the value priors are set on the hooks of the may also helice priors became available.	SE Life Assurance and Unit Treat Regulatory Organization, Contro Point, 1913 New Ordery Street, Louise Willia 1034 Tal: 871—570—8444,	Rayal London Statt Tist Mgrs Lid (1000)F Royal Lin Rise, Coldenter (20) 18A 6205 74,4400 6205 74	The street of th
ougant no my actor. 39: 1603 3 1603 3 171, 41-25 40-57 Dolphos UR & Gen. 39: 37: 18: 37: 2: 36: 91, 67: 17. 77 Balphos Fested Frank 59: 46: 12: 47: 98: 51: 31: 40: 121. 25	Exercit Cash Tie	Ser Cor Dh	nics 54,155.76 55.76 60.5a42.26 L0			UK Greeta	Fig.
		•					San

TANUARTY

MSEY WELL

hab feetige.

#### CURRENCIES, MONEY AND CAPITAL MARKETS

#### **FOREIGN EXCHANGES**

# **Dollar resumes strong rally**

The dollar continued on its upward path on the foreign exchange markets yesterday, rising a full four pfennigs against the D-Mark in a hectic morning trading in London and holding onto the best of the gains through the afternoon session, writes Simon London.

Overnight trading in the Far East was subdued, with Tokyo closed for a national holiday. The dollar opened the day in Europe little changed from its closing levels in New York on Tuesday night at around

DM1.5930 and Y126.75.
However, any hopes that the
US currency would simply consolidate the gains made on
Tuesday were soon dispelled.
The dollar climbed to a peak of
DM1.6280 and Y128.65 by midmorning as dealers rushed to
close short positions and take close short positions and take advantage of the bull run.

The US currency surged as it assed both the DM1.60 and DM1.62 barriers, as automatic stop loss trading programmes kicked into action. By the close the US currency stood at DM1.6220 from DM1.5905 on Tuesday, and Y128.40 from Y126.80.

As on Tuesday, the best of the gains were at the expense of the D-Mark. Analysts pointed to continued uncertainty over the currenct round of wage negotiations in Ger-

#### **£ IN NEW YORK**

J20,15	Latest.	Close
£ Spot	1.7540-1.7550 1.00-0.99pm 2.86-2.83pm 9.35-9.25pm	1.7840-1.7850 1.06-1.04pm 2.80-2.77pm 9.70-9.60pm
	ns and discounts ap RLING 11	•

	Jan 15	Previous
8.30 am	90,0 89,9 89,9 89,9 89,8 89,8	90.4 90.4 90.4 90.4 90.4 90.4 90.4 90.4
Jan 15	Bank of England ledex	Morgan <sup>ee</sup> Guaranty Changes %
Sterling	89.9 63.4 103.7 110.2 112.0 109.1	-21.7 -14.6 +1.7 +12.3 -1.4 +2.6

Average 1985=1001, "Rates are for Jan,14									
CURRENCY RATES									
Jan 15	Bast 4 rate %	Special * Drawing Rights	European † Carrency Unit						
Suefilips U.S. Dofter Constition S Austrian Sch Reigham Frame Qualish Krote D-Mark Dugch Galider French Franc Lagance Yea Romany Krone Sends Franc Geret Orach Irish Pont Lagance Yea Lagance Yea Romany Krone Geret Orach Irish Pont Lagance Yea Laga	uoted by I	the UK. Souls	0,715377 1,25942 1,45375 14,3498 41,9528 7,99475 2,03940 2,29605 1,9577 1,42699 7,42699 7,42699 7,42699 0,765745 port rates, and ireland.						
* AH SDR rate	ar for J								

'All SOR rate are for Jac.14 OTHER CURRENCIES									
Jan 15 E S									
Argentina Agstralia . Brazil	1.7370 - 1.7400 2.3710 - 2.3730 2046 45 - 2048 10	13486 - 13495							
Figiland		4.4040 - 4.4070 182.250 - 185.200							
iran	2558.00° 1.352.60 - 1.374.40 0.51800 - 0.51800	1420.00° 758 50 - 767 50							
		27160 - 27180							
Singapore	6.5890 - 6.6035 2.8890 - 2.8970	L6460 - 1,6480							
S.Af (Cas) S.Af (Fid) Talwas	5.8110 - 5 9050 44 35 - 44 45	2,6190 - 2,8210 3,2765 - 3,3335 25,20 - 25,25							
*Floating rai	6 4415 - 6 4665 e Correction for Ja	3,6715 - 3 6735 1.13 Australia							

**MONEY MARKETS** 

#### many as a reason the for this

In addition, a speech given by Mr Wilhelm Noelling, a Bundesbank board member, the text of which was released in advance, suggested that German interest rates would be reduced in wage claims were not too high and if the global economy continued to slow.

The D-Mark weakened within the European exchange rate mechanism. Sterling gained ground to stand com-fortably above DM2.85 by midmorning.

However, this was still only just above its effective floor in the ERM, which rose as the Spanish peseta also appreciated against the German currency. The peseta improved to Pta63.41 against the D-Mark, from Pta63.57 on Tuesday.

However, in the afternoon session the Spanish currency drifted back to close at Pta63.4950. One reason was the inflation data for December, suggesting that the Bank of Spain may be able to cut interest rates earlier than previously supposed.

The consumer price index rose just 0.1 per cent on the month, the same rate as during November, against expecta-tions of a 0.4 per cent rise. This left inflation for the full year running at 5.5 per cent, from 6.5 per cent in 1990. Many ana-lysts had been expecting a year-on-year rate of growth

around 5.8 per cent.
As the peseta fell back, so did sterling's floor, and the UK currency closed the day at DM2.8475, from DM2.85 on

The strength of the dollar also hit the Canadian dollar, which was the subject of inter-vention only last week to cap its rise. The Canadian currency traded down to C\$1.1570, from C\$1.1470.

EMS E	EMS EUROPEAN CURRENCY UNIT RATES									
	Ecs Central Rates	Currency Amounts Against Ecu Jap 15	% Change from Central Rate	% Spread vs Weakest Correscy	Ethergence Ladicatur					
marish Peseta	133.631 42.4032 2.31643 2.05586 0.767417 1538.24 7.84195 6.89509 0.696904	129, 489 41, 9628 2, 29605 2, 03900 0,765745 1537, 12 7, 90475 6, 95578 0,715377	-3.10 -0.99 -0.82 -0.07 -0.80 -0.80 -0.80 -0.80 -0.80	5.93 3.68 3.56 3.50 2.87 2.87 1.84 1.76	Renter					
a control rates set by t	ne European Com	nission. Currencies	are in descending	relative strength.	ercentage change					

central rates set by the European Commission.	Currencies are in descript	ilog relative strength. F	COLUMN TO SECURE
for Equ; a positive change desotes a weak	currency. Divergence sh	ne the ratio between	two spreads: th
centage difference between the actual market a	कर्व हैंदर दलकेने एक्ट दिए	a correctly, and the ph	متازيدها مسجرت
osplage deviation of the correscy's market rai	le from its Ecu central i	24.	
estment culculated by Financial Tieres.			

POU	ND SPOT	- FORWA	RD AGAII	IST	THE POU	ND
Jan 15	Day's spread	Clear	Cae month	% p.s.	Three months	76 p.a.
US	58.05 · 58.80 11.0090 · 11.0550 1.0670 · 1.0710 2.8420 · 2.8530 244.55 · 246.50	1.7555 - 1.7565 2.0280 - 2.0290 3.2025 - 3.2125 58.50 - 58.60 11.0350 - 11.0450 1.0670 - 1.0680 2.8450 - 2.8500 245.30 - 246.30	1.00-0,98cpm 0.63-0.55cpm 1 <sub>2</sub> -1 <sub>6</sub> cpm 9-4cpm 1 <sub>4</sub> -1 <sub>4</sub> cresum 0 02pm-0.03pdls 1 <sub>3</sub> -1 <sub>4</sub> pfpm 74-103csts	6.77 3.49 0.94 1.33 0.06 1.32 -4.32	1-km	-0.22
Seala Italy Horney France Sweden Japan Austria Selvizerland . Ecu	.2138.25 - 2152.50 £1.1605 - 11.2115 9.6895 - 9.7385 10.3440 - 10.3790 224.95 - 226.35 19.96 - 20.07	180.36 - 180.40 2146.25 - 2147.25 11.1850 - 11.1950 9.7100 - 9.7200 10.3600 - 10.3700 25.00 - 226.00 19.96 - 19.99 2.5275 - 2.5375 1.3960 - 1.3970	25-31c/s 1-3c/s 1-3c/s 1-3c/s 1-1-2-core/s 11-2-core/s 11-1-pm 2-1-2-core/s 1-1-2-core 0.06-0.01cm	-186 -112 -232 -235 -236 -236 -236 -236 -236 -236	73-844s 6-9ds 1 <sub>4</sub> -1 <sub>3</sub> ds 15-1 <sub>3</sub> pm 44-55ds	-1.74 -1.40 -0.13
Commercial 1 9.45-4.35pm	rates taken towards U	re end of Lordon trad	ieg. Six-mostix fore	eard dold	r 5.22-5.17cpm . 1	2 Month
Jan 15	Day's spread	Clase	One month	% pa	Tizee navetis	% p.a.
UK†	1.7500 - 1.7900 1.6365 - 1.6720 1.1495 - 1.1570 1.7990 - 1.8320 32.70 - 33.50 6.1625 - 6.3025	1.7555 - 1.7565 1.6390 - 1.6400 1.1560 - 1.1570 1.8260 - 1.8270 33.35 - 33.45 6.2850 - 6.2900	1.00-0.98cpm 0.93-0.88cpm 0.30-0.33cds 0.84-0.87cds 13.00-16.00cds 3.10-3.40creds	677 6327 -327 -532 -532 -532	2.82-2.79pm 2.62-2.52pm 0.85-0.89dis 2.47-2.51dis 40.44dis 9.05-9.65dis	639 627 -301 -345 -505 -595

Commercial rates taken towards the end of London trading, 1 UK, fretand and EDL are quoted in US currency. Forward presidents and discounts apply to the US dollar and not to the individual currency.									
B	URO-CL	IRREN	Y INTI	REST	RATES				
Jan 15	Short. ferm	7 Days notice	One Morti	Three Months	Şiz Moutis	One Year			
Sterilog IS Dollar Can Dollar Can Dollar Can Dollar Osth Golider Swiss Franc D-Mark French Franc Italian Lira Beiglar Franc Yen Danish Krone	74 - 74 92 - 92 74 - 74 95 - 94	10H - 102 44 - 44 75 - 75 95 - 75 95 - 95 115 - 115 95 - 95	104-7-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-	10H - 10H 42 - 44 7 - 64 95 - 95 95 - 95 115 - 115 95 - 95 105 - 95	104 - 44 - 44 - 44 - 44 - 44 - 44 - 44 -	102 - 103 45 - 45 75 - 63 95 - 95 95 - 95 95 - 95 12 - 115 91 - 95 41 - 95			

# **EXCHANGE CROSS RATES**

Jan. 15	£	\$	DM.	Yen	F Fr.	S Fr.	M FL	Lira	CS	B Fr.	Ecu
£	1	1.756	2.848	225.5	9.715	2.533	3.208	2147	2.029	58.55	1.397
S	0.569	1	1.622	128.4	5.532	1.442	1.827	1223	1.155	33.34	0.796
066	0.351	0.617	1	79.18	3.411	0.889	1.126	753.9	0.712	20.56	0.491
YEN	4,435	7.787	12.63	1000	43.08	11.23	14.23	9521	8.998	259.6	6.195
F.Fr.	1.029	1 808	2.932	232.1	10.	2.607	3.302	2210	2.089	60.27	1.438
S Fr.	0.395	0.693	1.124	89.02	3 835	1	1.266	847.6	0.801	23.11	0.552
K Fl.	0.312	0.547	888.0	70,29	3.028	0.790	1	669.3	0.632	18.25	0.435
Lina	0.466	0.818	1.327	105.0	4.525	1.180	1.494	1000.	0.945	27.27	0.651
						1.248					
						4.326					
Eco	0.716	1.257	2.039	161.4	6.954	1.813	2.296	1537	1.452	41.91	1

#### Yen per 1,000: French Fr. per 10: Lira per 1,000: Belgian Fr. per 100.

# FT LONDON INTERBANK FIXING GLLOD a.m. Jan 150 3 months US dollars

during the day yesterday and closed little changed as sterling gained ground against a weaker D-Mark on the foreign exchange markets, writes

**UK** rates unchanged

Simon London. The Bank of England forecast a £1.15bn liquidity short-age during early morning, later revised to £1.25bn. The main factors contributing to the squeeze were exchequer trans-actions totalling £785m and maturing assistance from pre-vious sessions totalling £288m. in early assistance, the Bank of England relieved some of

UK clearing bank base lending rate 18.5 per cent from September 4, 1991

the pressure, injecting £489m through a small outright piurchase of band 1 bills at 10% per cent and the purchase of £475m paper for resale to the market on February 3 at 10% per cent.

Later in the morning a further £150m was purchased for resale on the same date and on the same terms. Afternoon assistance comprised the purchase of £342m band 1 and band 2 bills at 10% per cent. Late assistance amounted to £290m, bringing the total

liquidity injection for the day

... . --- · --- <del>1</del>

money rate traded mostly at · % per cent in the morning session, the same as Tuesday's closing level, but traded down to 9 per cent during the afternon as the liquidity injection took effect. The March short sterling contract on the London International Financial Futures Exchange strengthened through the day,

reaching 89.69 by the close from 89.62 on Tuesday. This level implies base rates of 10.31 per cent by the spring, from a current rate of 10.5 per cent. Frankfurt, Bundeshank relieved pressure for higher money market rates at its repurchase operation.

Faced with maturing repurchase pacts totalling DM33.8bn, the Bundesbank injected a total of DM41.1bn. This comprised DM31.1bn paper for resale in 35 days time at 9.4 per cent and DM10bn for resale in 63 days at the same

However, the net injection of DM7.3bn had only a marginal effect on money market interest rates. Call money traded at around 9.45/55 from 9.55/60 on Tuesday. In Paris, call money rates eased is of a point to 9% to 9% per cent. encouraged by the strength of

MONEY RATES										
NEW YORK		Treasury Bills and Bonds								
Lunchtime Prine rate Broker loas rate Fed funds Fed funds at intervention	6½ ] 5½	lae mouth Pero mouth Pero mouth Ise year Ise year		3.94 Fire; 4.06 Seven 4.17 10-ye	e year					
Jar 15	Overnight	One Month	Two Mostles	Three Mootis	Stz Vontis	Localizari Intervention				
Frankfurt	9.45-9.55 91-92 61-71 9.18-9.31 51-52 12-124 10.31-56 102-108	9.40-9.50 91-97-71 9.65-9.52 58-58 121-121 1031-46 104-108	9.40-9.50 91-91 101-101	9.40-9.50 98-95 75-74 9.43-9.50 53-5-12 102-37 103-103	935-946 92-98	9.75 9.60				

	_				<b>-</b> -						
LONDON MONEY RATES											
Jan 15	Oversight	7 days notice	One Month	Three Months	Months Six	One Year					
terbank Offer Lerbank Biderling CDs	11 ኒ 10	101 105	101 105 101 104	10 P 10 Z 10 Z 10 Z	105 105 105 105	10.5 10.5 10.5 10.7					
cal Authority Deps cal Authority Bends scoont Mirt Deps mpany Deposits	10% 10%	10% 10%	=	_	=	_					
nance House Deposits easury Bills (Bey) ink Bills (Bey)	=	Ξ	105 105 104 104	10½ 10½ 10 10 <u>¼</u>	10 g 10 g 9 h 9 h	107					
ne Trade Bills (Buy) ,. Vlar COs PR Linked Deo. Offer	=	=	4.12 613	4.18	4.20 64 64	4.52 6.3					
R Linked Dep. Bid	- 1	-	62	, è	617	63					

rates eased if of a point to 9% to 9% per cent, encouraged by the strength of the franc against the D-Mark within the European exchange rate mechanism which may give the French authorities more room to lower lending rates.

Transary Bills Iself): one-month 10% per cent; three months 9% per cent; if reasony Bills. Amerage there rate of discount 9,9712 p.c. ECED Fixed Rate Sterling Export Finance. Make up day December 31, 1991. Apret rates for period Jan. 25, 1991 to Fabraary 25, 1992, Scheme 11.80 p.c., Schemes 11 & III: 12.00 p.c., Reterence rate for period Nov 30,1991 to December 31, 1991. Scheme 11.80 p.c., Schemes 11 & III: 12.00 p.c., Reterence rate for period Nov 30,1991 to December 31, 1991. Scheme 11.80 p.c., Schemes 11.80 p.c., Reterence rate for period Nov 30,1991 to December 31, 1991. Scheme 12.00 period Jan. 25, 1991 to Pabraary 25, 1992, Jan. 25, 1991 to Pabraary 25, 1992, Jan. 25, 1991 to Pabraary 25

Close High Low 102.75 102.92 102.72 102.62

High 89.72 90.04 90.29 90.40 90.46 90.47

Estimated volume 1676 (1013) Previous day's open let. 6392 (6207)

Estimated volume 12029 (4966) Province day's open lat. 25562 (24989)

Estimated volume 10600 (9462) Previous day's open Lat. 35014 (35004) FT-SE EUROTRACK 100 BIDEX 9050 per tall lailex palet 1140.0

Close High Low 2573.0 2500,0 2570.0 2607.0 2621.0 2621.0

Contracts traded on APT. Closing prices shows.

1-orth 3-orth 6-orth 12-orth 1.7461 1.7280 1.7041 1.6620

POUND - DOLLAR

FT-SE 100 BHOEY S25 per full index point

10W 95.73 95.47 95.10 94.51

92.94 92.95 92.91 93.09

Love 103.21

Fin	ANC	:IAL	FŲT	TURE	S AN	ID O	PTI	ONS	;					
LIFFE LONG CALT PUTURES OFTENS ESC.009 640s of 180%					LIFFE US TREASURY ROND FUTURES OPTIONS \$160,089 64ths of 180%					LIFFE BLIED FUTURES OFFICIAS				
Strike Price 94 95 97 98 99 100 100 Estimates Previous 6	3-24 3-24 2-31 1-44 1-63 0-39 0-21 0-11 0-06	Silement Jan 4-03 3-17 2-38 2-01 1-33 1-09 0-53 0-38 na. Calls 29	Pots-sett Mar 0-06 0-13 0-26 0-49 1-21 2-57 3-52 3515 Pots 25	Aun 0-35 0-49 1-06 1-33 2-01 2-41 3-21 4-05		Cally-settl Mar 3-37 2-48 2-01 1-26 0-60 0-37 0-22 0-12 where total	Jan 3-35 2-39 2-34 1-32 1-11 0-58 0-44 at, Calls 1		Just 1-17 1-41 2-66 2-40 3-14 3-57 4-40 5-26 10	Strike Price 8650 8700 8750 8890 8890 8990 9950 9000 Estimated Predous d	Calls-sett Mar 1.93 1.47 1.05 0.49 0.13 0.13 values total	Jm 253 211 1.73 1.39 1.08 0.61 0.46 21, Calls 1	Pats-sets Ma- 6,04 0,08 0,16 0,30 0,53 0,63 1,24 1,68 4480 Pats 6	0.18 0.25 0.25 0.73 0.73 0.77 1.26 1.51
	IROMANK into of 18				LIFFE DO	LIAN GIV		1794 FUTU			이지 STERL Palets # 1		WE ZW	
Previous d	Mar 0.97 0.72 0.48 0.26 0.10 0.03 0.01	1.44 1.19 0.73 0.52 0.34 0.12 0.12 dat, Calls 55	Pats set Mar 0 0.04 0.04 0.13 0.31 0.54 0.78 2512 Puts 25	Jim 0.01 0.03 0.05 0.09 0.18 0.28 0.44		Calls-settl Mar 1.62 1.19 0.82 0.52 0.50 0.17 0.06 0.04 wokuse tota 67's open loc.	Jen 2.05 1.70 1.38 1.10 0.86 0.49 0.49 0.36 at Calls 9		Am 0.39 0.54 0.72 0.94 1.20 1.50 1.83 2.20	Sursice Price 8875 8900 8925 8950 8975 9000 9025 9050 Estimated Previous d	Calls-sett Mar 0,94 0,70 0,49 0,30 0,07 0,05 0,01 volume tot ay's open in	Jan 1,31 1,09 0,88 0,69 0,52 0,37 0,26 0,17 al, Calls 1	Puts-sett. Mar 0.02 0.03 0.07 0.13 0.24 0.40 0.62 0.84 2499 Puts 57772 Puts	0.05 0.08 0.12 0.18 0.26 0.36 0.50 0.50
28-YEAR		MAL GELT	•		U.S. TREA	SURY BOND		<u>.                                    </u>			YEN COM	)		
Mar Jun Estimated Previous d	Close 97-09 97-16 100mme 40 27'3 Open	High 97-15 97-16 1340 (3312 Int. 52994	677-02 97-02 97-16 97 (5346-5)	Pres. 96-28 97-03	Mar Jun Sep Dec Mar	Lates, 103-03 102-03 101-02 100-04 99-09		102-22 101-22 101-24 99-30 99-08	Prev. 103-10 102-09 101-09 100-12 99-18	Y12.5m \$   Mar Jun Sep Dec	Lates 0.77745 0.7765 0.7765	0.7785	0.7762 0.7755 0.7765	Prev. 0.7867 0.7853 0.7846 0.7846
\$100,808 Mar Jun	32mb of 2 Close 103-11 102-09	High 203-26	Low 102-25	Pres. 103-16 102-14	Jos Sep Dec Mar Jos	:	:	:	98-26 98-03 97-13 96-25 96-06	DEUTSCHE DM325,090 Mar	\$ per 166 Lates 0.6105	9.6130		Pres. 0.6211
Prenions d	ay's open i	66 0721) 61 3341 C			U.S. TREAS	SURY ROLLS of 186%	<b>WHO</b>			Sep Sep	0.6035 0.5970	0.6055		0.6134 0.6069
Mar	8 198ths ( Close 88.39	High 88,47	Low 88.17	Prev. 88.28	Mar Jun	Latest 96.15 96.01	%15 %15 %01	95.92	Prev. 96.21 96.08	THREE-MO \$1:0 points	KTH EURO of 100%			
kon Estimated Previous d	88.85 10 notame 14 notame 14 september 1	88.91 437 (666) et. 114729	88.70 B 013864)	88.74	Sep Dec. Mar	95.67 95.16	95.67 -	等紅 95.15	95.76 95.27 95.11	Na Na	Latest 95.79 95.56	95.79	L0m 95.72 95.46	95.83 95.62

95.18 94.56 94.30 93.88 93.49 93.02 Latest High Low Prov. 422.70 422.70 422.30 423.65 424.30 424.30 423.60 423.10 425.30 425.30 423.60 424.30 High Low Pres. 0.6922 0.6888 0.7022 0.6863 0.6832 0.6963 - 0.6795 0.6912

PARIS 7 to 14 YEAR 18% IN Opes lat 128,657 14,201 333 14,735 1,530 7,341 2,884 ECH BOTO (NATUR) 0.05 0.12 0.28 0.83

**BASE LENDING RATES** 

120

18,380

250

		%		%		%
	Adaus & Company	10.5	Circlit Lorenzis	105	McCouncil Douglas Bok ,	10.5
	Allied Trast Bank	10.5	Cryptus Popular Bit	10.5	Midland Bank	10
	Al-B Bank	10.5	Dantar Bank PLC	10.5	Morent Banking	10.5
Ē	Henry Austracher	105	Deutan Lawrie	10.5	Nat Westmaster	10.5
_	B & C Merchant Back	105	Equatorial Bank plc	105	Herthern Bank Ltd	10.5
	Bank of Baroda	105	Exeter Bank Limited	ĩĩ	Avioredk Mortgage Bank	ii
	Banco Biltoan Vizzaya	10.5	Figatorial & Gen. Bank	Ī	Provincial Bank PLC	14
	Bank of Crons	105	First National Bank Plc.	14	Rootsergine Bank Lini	11.5
	Bask of Ireland	105	© Robert Fleeting & Co	Ī0.5	Royal Bit of Scotland	105
	Bank of India	10.5	Robert Fraser & Plans	ii	Soith & William Secs	10.5
	Bank of Septians	10.5	Girekant	105	Standard Chartered	10.5
	Banque Belge Ltd		© Gaispess Mahos	10.5	128	10.5
	Barcians Bask		© Hambrus Bank	10.5	Dalbank pic	10.5
	Beachmark Bank	11	Hamostare Trust Plc	135	• United Elk of Kurrait	10.5
	Brit Sk of Mid East	105	Heritable & Gen law But	165	Unity Trest Bank Pic	10.5
8	Brown Shipley		Hill Samed	10.5	Western Trust	10.5
	CL Bank Rederland	10.5	C. Hoare & Co.	10.5	Westpac Bank Corp	165
	Citize IX	10.5	Honskora & Shanobai	10.5	Whitesara Laidan	105
	City Merchants Bank	105	Julian Hodge Bank	10.5	Yorkshire Back	10.5
	Civolesiale Bank	105	Leousid Joseph & Sons	10.5	9 Members of British Mer	
	Co. constation Room	10.5	I hade Death	10.5	Backing P Committee III	

Contis & Co 

# **BRIEFED ENCOUNTER**

Do you know enough about the company you are visiting? Your competitor might, FT Analysis does.

The FT Analysis service on your PC would give you the most comprehensive, yet concise, briefing document available.

FT Analysis offers high quality reports on all major quoted companies in Europe. Ready in seconds, reports are updated daily and bring together all you need to know, including: a description of business activities, stock exchange announcements, summary financial statements, shareholders and directors.

In addition, FT Analysis gives you access to original international press commentary and stockbroker research.

GET BRIEFED • GET FT ANALYSIS Call Paul Fomin on 071 702 0991



A PINANCIAL TIMES INFORMATION SERVICE

#### MONEY MARKET FUNDS

Money Market Trust Funds **Money Market Bank Accounts** rest Cheque Accessot 8 ISA 6900 282115 50 6.38 8.77 Oct 25 6.94 9.57 Oct Althres Hump Bank plc 30 City Rest, EC1Y 28Y Treasury AC 10 City 130544 597 9 00 His Inc City 130544 599 9 50 His Inc City 130540 591 9 10 00 His Inc City 130 0000 10 10 000 Affied Trust Bank Ltd 97-201 Cassor St. London, EC 2.44 3.30 Mess 6.19 6.57 Mess 6.64 9.22 Mess 6.79 9.43 Mess 6.94 9.65 Mess 7.09 9.87 Wo terest Cheque Acc 0733516516 6563 9.041 Or 6375 8775 Or 733 836 703 9.68 Min 721 9.94 Min Ctydesdale Bank PLC 30 St Vincent Place, Glasson 52,000-C24,999 8.25 525,000-699,999 9.50 £100,000+ 9.50

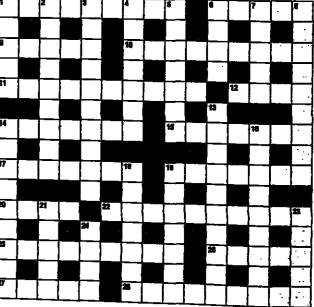
#### **CROSSWORD**

**JOTTER PAD** 

A many segment of the control of the

The state of the s

No.7,748 Set by HIGHLANDER



ACROSS
1 Solemn measure appropriate for cametery (9) 6 Principle to follow the morn-

ing round (5)
9 Not allowed to end with note that's somewhat umusual (5) 10 Baseball player's trousers

and cap (5-4)

11 Both, under a new order, confined to the planet (10)

12 Argue with principal, supporting member (4)

14 Rejected price at the start under motification (2)

under modification (7)
15 Withdraw from taking a par-ticular kick (4,3) 17 He wears an assortment, but on the other hand (7)

19 Objection not about school pantomime character (7) 20 An excess of gold and grey borders (4) 22 Ship's officer is very good

on motor journey (10)
Resort worked out the preparation required (2)
Revolting people once in charge of English in retreats (5)

27 People were sitting outside covered in perspiration (5) 28 Advance warning directed at estate is improperly pres-ented (9)

1 Fumble for thicker version of G-string? (5) Writer drops Henry off on eastern motorway (9)

3 Just delivered first uniform (4-6) 4 Sailors fish, catch last of

salmon, and do a bunk (?) 5 Medical man had become 6 Some people send a telex for

an appointment (4)
7 Uniform rise (3,2)

7 Uniform rise (3,2)
8 Broken up as a part for collection of equipment (9)
13 Rider has a job writing (10)
14 Got a load of bays, perhaps useful for cutting timber (9)
16 Old roses running wild, you said inside, are without fragrance (6)

sant made, are without fragrance (3)

18 Close gets cricket side to stop the flow (4.8)

19 Wave to a smasher (7)

21 Look, without right to browse (5)

23 There's nothing sinful about a girl unpylding doubt (5)

a girl providing fruit (5)
24 Hide in shower (4)
Solution to Pozzle No.7,747

GOEDROMIONIA

COEDROMIONIA

CO

FINANCIAL TIMES THURSDAY JANUARY 16 1992								
ANSTORA			W	ORLD STO	CK MARKETS			
	FIANCE (continued)  James 75 Fcs, + er -  Begain-Say Cert (er 460 -12  Bongrain	James 15   Dec.   + er -     Continental AG 225.50 +2     OLW	METHERLANDS  James y 15 Fig. + er -  A 8 II Agre Holdey 45 +0.90	=	CANADA			
NEL STOWA LINE NI BOURG	Betrigues	Dill	AGF HIM Dep Res 31.60 -0.20 AECON 127.20 +2 Abnoid 81.10 +1.80 AZCO 137.60 +2.70 Bet Lize High Page 15.20 +2.70 Bet Lize High Page 15.20 +0.10 Bet Lize High Res 45.95 +1.30 Bessell PC 18.85 61.50 +0.20 Bessell PC 18.85 61.50 +0.20 Bessell PC 18.85 61.50 +1.30 CSM Dep Res 87.80 +1.30 CSM Dep Res 99.90 +2.20 Devisible Pet 15.90 +0.50 DSM Dep Res 15.80 Elevies Dep Res 101.20 +0.40 Fodorer Dep Res 27.70 +1.	isla 00 pum 8 Free 212 +10   Nobel Free 9,90   10   Proportis 8 Free 215 +3   Standhals 8 Free 173 +6   Standhals Free 173 +2   Standhals Free 194 +2   Standhals Free 108 +4   Fell Switz Haafil 8 Free 100 +1   Fell Switz Haafil 8 Free 110 +5   Volvo 8 Free 365 +18	TORONTO   Sales Stock   High Low Close Ching   High Low Ching   High			
ACEC-Union Mile 2.290 460 AC Group 1.995 450 AC Group 1.995 450 AC Group 1.995 450 BBL 3.330 450 BBL 3.330 450 BBL 3.330 450 BBL 451 Ltr 11, 130 45 BBL 451 Ltr 11, 130 45 BBL 451 10, 525 467 BBL 551 10, 525	Danmar	Industrie Werks	Get Brar Bey Bess 344.50 +1.70   Heliosken 164.80 +0.70   Heliosken 164.80 +0.70   Heliosken 162 +1.50   Holland Bestan 162 +1.50   Holland Bestan 162 +1.50   Holland Bestan 162 +1.50   Holland 162 +1.50   Holland 163 +0.50   Holland 163 +0.50   Holland 163 +0.50   Holland 164 +0.50   Holland 164 +0.50   Holland 165 +0.50   Holland	SWITZERLAND  Jamuny 15	18600 Bt Month   167   47   47   48   18   18   18   18   18   41   18   18			
Section   10   10   10   10   10   10   10   1	Interhal	Mainteien Vers   737   427   Marates His   576   48   Metaliguselischeft   407.50   48.40   Metaliguselischeft   407.50   48.40   Metaliguselischeft   407.50   48.40   Metaliguselischeft   47.50   48.40   PMA   224   4.50   PMI   4.50   PMI   573	REGINARY   Sensor   15   Kroser   10   10   10   10   10   10   10   1	Jelmail Ptg Cts	213500 CAE ind SSI, 6½ B½ 1½ 1½ 15500 Heather Side SIZE, 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½ 1½			
British ARK James 125   Kr + er - Settion Holding Reg 748 -2 SRuchen	Newlection Mitter   1254   +64   Newlection Mitter   1254   +64   Newlection Mitter   1254   +64   Newlection   1259   +1250   Paris Resident   1250   +1250   Paris Resident   1495   +4   Penglet   1495   +4   Penglet   1588   +7	Tigraser 212 44 Verta 285 +10 Verta 372.50 +4.50 Verta 219 +2.50 Verta 372.50 +4.50 Verta 219 +2.50 Verta 382 +2	Norsk Roth A   7   199	Sandoz Reg 2,940 +60 Schindler (Br) 3,800 +100 Schindler (Br) 3,800 +100 Schindler (Br) 700 +20 Star Reg 4 600 Sarvelllance (Br) 7,360 +70 Sarles Bank (Br) 309 +6 Sartes Bank (Br) 309 +6 Sartes Reinstrance 2,800 +60 Sartes Reinstrance 2,800 +60 Sartes Reinstrance 2,800 +60 Sartes Reinstrance 2,800 +60 Sartes Reinstrance 3,840 +80 Union Bank Br 3,690 +80 Union Bank Ptg 146 42 Winterther 15 684 +17	### 1500 Casecans \$8 5% 6 4% 51800 Labert \$27 25\25\25\25\25\25\25\25\25\25\25\25\25\2			
Des Danste Stet	Salet Gobalis 496 +19.80	TTALY Japanery 15 Live + ar -	January 15   Phs.   + ev -     Alha (Corp Fin)   4,00     Arageness   1,150   -40     Askand   2,205   +85	Zurich les Pig 2,080 +50	DOW JONES Jan Jan Jan 1981/92 Since compliation 15 14 13 10 High Low			
News And 8	Schneider 650 494 Seb SA 1, R22 421 Sethung 474,50 -3-50 Sither 504 Sith Rotelphol 529 47 Sith Rotelphol 541 42,10 Soft Battlymolbs 341 42,10 Sith Battlymolbs 341 434 UFF Locabol 543 47 UFF Locabol 543 47 UFF Locabol 588 41 Uselon Immob Fr 509 421	Basica Comm. 4,290 +140 Basica Raz Agric. 5,730 +65 Basica Intrano. 5,250 +120 Basico Intrano. 5,250 +120 Basico Intrano. 5,250 +120 Basico Intrano. 12,000 +480 Basico Cartiere). 9,300 +250 Cili. 1,224 +39 Caffaro Spa. 7,24 +12 Carsentir. 2,715 -35 Castinatir. 2,715 -35 Colide Fin. 2,100 +40 Colide Fin. 2,100 +40 Colide Fin. 2,100 +40 Colide Fin. 2,100 +40 Endomn. 1,329 +4 Erdonia. 7,085 +82 Erdonia. 7,085 +82 Erdonia. 1,700 +83	Bann Bithes Vist.   2.745ml +45	SOUTH AFFECA   Stand + er -	\$\frac{1}{2}\$   \$\frac{1}{2}			
Tampella Free 11 +0.80 Usetas Bit C Free 17 +2.80	CERNANY	Flat	Koipe 4,075 +75 Mapire 4,870 +75 Mapire 4,870 +7120 Metrovaces 4,070 +45 Portland Vald 12,5004+120 Report 2,00 +70 SMIADE 210 SAVIANA Elec 600a 45 SaviAnas Elec 600a 45 Tabacalera A 5,700a 450 Unioa Fessas 568at 25 Unioa Fessas 568at 25 Unioa Fessas 568at 25 Unioa Fessas 1,700 +4590 Unioa Fessas 568at 25 Un	Esst Rand Gold 6.79 + 40.25 Elandsrand Gold 27 + 40.50 First Nat Bank 54.50 First Nat Bank 54.50 First Sale Essolid 90.25 + 1 Gencor 12.75 + 40.05 Gold Fleids SA 87 + 40.05 Gold Fleids SA 15.50 + 40.50 Highreds Steel 14 SCOR 2.07 + 40.03 Kinress Gold 44 Kloof Gold 3.6 + 1.65 Libamp Gold 3.15 Libarty Life SA 39.75 + 1.25 Mallabid 35 + 1.50 Melicior 17.50 + 0.50 0 K Bazzara 10	NYSE Composite   231_57   228.74   230_27   231_57   170.97   231_57   4.65   162.57   163.71   1715.90   131.12   164.191   164.192			
ACCOUNTS (ASS)  All Cated Alathom 578 41 41 41 41 41 41 41 41 41 41 41 41 41	Septe - 1990 - 377 - 358 - 377 - 378 - 379 - 45 - 378 - 379 - 45 - 378 -	Rinascente (1,1) 6.542 452 SASS 7.120 4130 SIP 7.38 448 Sarfra 7.490 Salpeta 1.585 421 Sarti San 11.590 4160 SMI 867 11.590 4160 SMI 867 11.17 412 STET 12.280 449 Tool Franco 27.550 4550 University 10.840 -10  Jamesty 14 Yes + ar - Hillgring Eng 9.555	SWEDEN James 125	Premier 69 25 +0.25 Reminrandt Grp 29 +0.25 Reminrandt Grp 29 +0.25 Reminrandt Grp 29 +0.20 Resident Grid 20 +0.50 Resident 20 +0.5	NEW YORK ACTIVE STOCKS   TRADING ACTIVITY   Missions   Stocks Closing Change   Trunsday   Iraded price on day   Tournell   Fore   Missions   Jan 14   Jan 15   Jan 10   Mortvary   Missions   Jan 14   Jan 15   Jan 10   Mortvary   Mort   Mort   Mortvary   Mort   Mort   Mortvary   Mort   M			
## Humon Airmans   1,260   Alps Electric   1,260   Alps Electric   2,260   Alps Electric   2,260   Amazon Corp   2,200   Amazon Corp   3,200   Amazon Corp	ages Secrate Batt. 794  Space Set Bubber 562  agen Wood 1,770  agen Wood 1,770  agen Wood 1,620  Groome 1,620  Groome 1,540  calena 1,540  cal	Mileot Cerp 933 Whiteholds 11, 200 Wages Cwell Bank 8,710 Wages Cwell Bank 7,740 Wages Cwell Bank 6,740 Wages Cwell Bank 6,740 Wages Cwell Bank 6,740 Wages Walland 7,750 Wages Walland 7,750 Wages Walland 7,743 Wages Walland 7,743 Wages Read 5,440 Wages Read 6,440 Wages	Talatra Stage 779 Talatra Stage 779 Talatra Stage 1,590 Talatra Chen 1,290 Talatra Chen 1,290 Talatra Chen 1,290 Tellois 011 783 Tellois 011 783 Tellois 011 783 Tellois 101 783 Tellois 101 780 Tolois Talatra 780 Tolois Talatra 780 Toloi Tolois 796 Tolois Tolois 796 Tolois Tolois 796 To	Newcrest Milaing   0.92   +0.01	CANADA TORONTO Jan Jan Jan Jan 1991/82  **TORONTO** **Market Selection** **Milestation** **Mil			
100   100	State   194	Ripon Shet Class   559	Tokyo (Santo) 1,400 Tokyo (Santo) 1,100 Tokyo (Santo) 1,400	146com Corp R.C.   1.85   40.01	Have your FT hand delivered every day			
Description		Riselato ON	Toson Corp.   1,150	Chiss Motor 28.56 40.10 Cross Harbowr 15 Daily Farm Indi 10.60 -0.30 Ewego 3.60 -0.02 Ewego 2.52 HSSG 35 +0.25 Hang Leng Dev 8.30 +0.05 Hang Seng Bank 36 -0.50 Harbowr Charte But +0.05 Henderson in 2.52 +0.05 Henderson in 3.50 +0.00 KK & China Gas 11.50 +0.20 KK & China Gas 11.50 +0.10	in Switzerland  If you work in the business centre of BAAR, BASEL, BERNE, FRIBOURG and the coastal towns and villages of Lac Leman from			
Part Lune 1500   1500	armetal Front 1.050	Dympes 1326   13	Waccel	ns saxy & (7A — 6.70sf -0.05 HX Telecon	Geneva to Villeneuve, GENEVA, LAUSANNE, LUGANO, LUZERN, MEYRIN, ST GALLEN, ZUG, ZURICH or			

WINTERTHUR - gain the edge over your competitors. Have the Financial Times hand delivered to your office. Then start every working day fully briefed and alert to all the issues that affect your market and your business.

ì

# 12 FREE ISSUES

When you take out your first subscription to the FT, we'll send you 12 issues free. Then see for yourself why Frederick Ungeheuer, Time magazine's senior financial correspondent, describes us as "the paper with the best coverage of international finance."



Geneva (022) 7311604

And ask Peter Lancaster for details

FINANCIAL TIMES
EUROPE'S BUSINESS NEWSPAPER

# **NEW YORK STOCK EXCHANGE COMPOSITE** ## A LOW Stock | 2072 Gen Mary | 100 A 29 A 2014 | 2072 Gen Mary | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074 | 2074

7.10 9.0 7 1.00 8.0 24 90 1.00 4.4 22 20 1.40 4.9 112391 27 289 1.10 11.297 1.175 10.1 4 1.24 11.4 51 35 0.10 4.2 0 5 0.40 2.4 13.4 51 34 1.41 51.3 0 805 0.40 2.4 13.4 61 0.60 2.4 13.4 61 0.60 2.4 13.4 63 0.67 2.4 13.4 63 0.67 2.4 13.4 63 0.67 2.4 13.4 63 0.67 2.4 13.4 63 0.67 2.4 13.4 63 0.67 2.4 13.4 63 0.67 2.4 13.4 63 0.67 2.4 13.4 63 加州的特别,在1915年,1915 41. 2 FAI loser
511/2 20 FAIC Corp
511/2 20 FAIC Corp
511/2 20 FAIC Corp
511/2 20 FAIC Corp
511/2 20 FAIC Gold
511/4 FAIC Gold
511/4 FAIC FAIC FAIC
511/4 FAIC FAIC FAIC
511/4 FAIC FAIC FAIC
511/4 FAIC FAIC FAIC
511/4 FAIC
511/4 FAIC FAIC
511/4 FAIC FAIC
511/4 FAIC
511

78136377343434122444573444

1.00 4.1 25 67 1115 1
1.00 1.5 15 44 68 4
1.80 6.8 2 1102
1.21 43 35 44 69 4
1.22 43 35 44 69 6
1.22 1.21 43 35 42 6
1.22 1.22 85 27
1.28 1.2 12286 38 6
1.27 2.7 22 85 27
1.28 1.2 12286 38 6
1.22 1.2 12286 38 6
1.22 1.2 12286 38 6
1.22 1.2 12286 38 6
1.22 1.2 12286 38 6
1.22 1.2 12287 38 6
1.22 1.2 12287 38 6
1.22 1.2 12287 38 6
1.22 1.2 12287 38 6
1.22 1.2 12287 38 6
1.23 1.2 12287 38 6
1.24 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.2 12287 38 6
1.25 1.25 1.25 1.25 1.25 1.25 1.25

781, PullE7.75
781, PullE7.75
781, PullE1.75
781, P 

VIAG 1991: Sales up by a quarter.

Georg-von-Boeselager-Str. 25 D-5300 Bonn 1 Telefax: (228) 552-2122



a magamangga a meng Malaysi Ma

JANUARY N

BRUSSELS
Tel:(32) (2) 512.88.00 - Fax: (32
FINANCIAL TIA

Tel.:(32) (2) 512.88.00 - Fax: (32) (2) 512.67.66

FINANCIAL TIMES
FUROPE'S BUSINESS NEWSPAPER

# NASDAQ NATIONAL MARKET | Mark AMEX COMPOSITE PRICES NYSE COMPOSITE PRICES NASDAQ NATIONAL MARKET AMEX COMPOSITE PRICES 3:00 pm prices January 15 Williams 19.0 figure LiverCircus Circus Block Div. 2 figure 19.0 figure 19. **AMEX COMPOSITE PRICES** TRAVELLING ON BUSINESS TO BRUSSELS? Enjoy reading your complimentary copy of the FINANCIAL TIMES when you are at the JOLLY O HOTEL DU GRAND SABLON Start every working day fully briefed and alert to all the issues that affect your market and business... Read 2 4040 552 0.70 22 2100 u164, 0.71 49 2100 73 1 982 24, 11 131 184, 270 2886 441, 1.82 10 91 1874, 3 0.20 16 11 114, 1 0.22 2 567 124, 61 0.80 10 1123 12 17 5207 235, 3 1.88 8 1918 345, 0.20 5 487 14 +1s K Swiss Kaman Co Kancher Co Katey C

FINANCIAL TIMES

3

# **Equities pause** but turnover remains heavy

outlook for pricing in the

IBM rose \$1% to \$94% on reports that Mr Donald Young, an analyst at Shearson Leh-man, had told his firm's sales

force that the computer giant could produce a pleasant sur-

prise in its fourth quarter earn-

ings report tomorrow.
Citicorp continued to race ahead, adding another \$2 at \$15 in turnover of almost 6m

shares. The stock has been in great demand this week, and

yesterday it received a further boost when Goldman Sachs

upgraded its investment opin-ion of Citicorp and put the bank on its recommended list.

In the same sector. Bank of

Boston rose \$% to \$14% on the news that its merger talks with rival New England banking group Shawmut National had

been terminated Shawmut

TORONTO retreated from

early highs after testing resistance near 3.660, but remained

rose 11.8 to 3.646.8, off a high of

declines by 249 to 170 in vol-

C\$240m in order to cut its debt.

C\$8% a few months ago. Imperial Oil, which rose C\$1

to C\$39%, led gains among oil

and gas shares as oil futures firmed in midday trade.

London spurred Johannesburg

to fresh peaks. The overall index rose above 3,700 for the

first time to close at a record 3,713, up 69, while the indus-trial index rose 80 to a record

4,535. Golds rose 46 to 1,298.

**SOUTH AFRICA** 

rose \$1% to \$11%.

C\$221.87m.

#### **Wali Street**

AFTER Tuesday's sharp gains, US stock markets paused for breath yesterday morning, although steady demand from individual investors ensured that the underlying tone remained positive, writes Pat-rick Harverson in New York. By 1 pm the Dow Jones Industrial Average was up 3.35 at 3,249.55. The more broadly based Standard & Poor's 500 index was slightly lower at midsession, slipping 0.42 to 420.02, while the Nasdaq composite of over-the-counter stocks added 3.30 at 629.05.

Turnover on the New York

Stock Exchange was heavy at

189m shares by 1 pm.

One of the key influences behind Tuesday's 60-point rally was the rush of individual investor money out of matur-ing certificates of deposit and equally low-yielding money market funds and into equities, which in the current low interest rate environment appear attractive compared to many

Another feature of recent trading has been the sight of investors switching out of certain sectors in the market and into others, searching for the sector that will outperform the

A notable victim of this intra-market trading yesterday was the drugs sector, which lost ground amid concerted selling. Leading the way down was Merck, \$2% lower at \$157%, Pfizer, \$3% weaker at \$80%, Glaxo, down \$% at \$33, Schering-Plough, down \$21/4 at \$65½, and Bristol Myers-Squibb, \$1½ lower at \$84%. Airline stocks appeared to have benefited from selling in other areas of the market. AMR, parent group of American Airlines, rose \$2% to \$74%, despite reporting a fourth quarter net loss of \$125m after

a \$59.6m charge to cover writedown of aircraft values. Among other airlines, UAL rose \$4% to \$156%, USAir added \$1% at \$16%, and Delta rose \$3% to \$73%. The sector may have been helped by positive comments from AMR's

# Continent rises across the board on Dow's advance

WALL Street's record high on Tuesday, and a varying weight of local influences were advanced as reasons why

advanced as reasons why bourses climbed yesterday, writes Our Markets Staff.

FRANKFUET found strong domestic reasons for its gains which were considerable, the DAX index accelerating to a 38.97, or 2.4 per cent rise to 1,567.50 after the FAZ put on 14 15 or 2.1 per cent to 572.67. 14.15, or 2.1 per cent to 672.67 at midsession.

Mr Jens Wiecking, for Merck Finck in Düsseldorf, said that German equities were a special situation, having underper-formed the world for nearly two years during which foreigners had been selling the market, on balance. This year's recovery, he said, was built on the anticipation of

the Bundesbank easing its monetary policies and a subse-quent bull market. It started with the Anglo Saxons but con-tinental investors followed yesterday, boosting German mar-ket volume from DM6.4bn to DM12bn on one estimate. Meanwhile, the focus on individual sectors shifted again. Banks, after a period of relative strength, were quiet

FT-SE Eurotrack 100 - Jan 15										
Open 1138.22	<b>3 pm</b> 1140.90	close 1140.52								
	Day	's High 1	143.22	Day's	Low 11:	33.88				
Jan 1 1112.1		Jan 13 1105.02		10 5.40	Jan 9 1100.02		an 8 180.21			

despite a further drop in the Bundesbank's average bond yield from 8.18 to 8.15 per cent.
In conventional cyclicals the
big blue chip carmakers, which
had taken over from the banking sector, were outshone by chemicals, where Hoechst put on another DM13.30 to DM248.80; and among bombed out stocks the construction group, Philipp Holzmann, closed DM68 higher at DM1,138.

PARIS rose to its highest law large less Cottober 2 Well level since last October as Wall Street's record rise overnight prompted domestic institutions to go on a buying spree. The CAC 40 closed 29.82 or 1.6 per cent higher at 1,873.62, off the day's high of 1,884.6, in heavy turnover of FFr3.9bn after

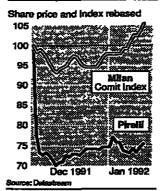
Gains were across the board.

Tuesday's FFr2.5bn.

Peugeot jumped FFr26 to FF1700 after positive comments from its chairman on the previ-ous day. In the oil sector, Total added FFr34 to FFr1,1088 on its optimism about its Colombian oil find, and Elf gained FFr5.90 to FFr371.20. Among smaller stocks, Canal Plus rose FFr22 to FFr1,050 in

relatively good volume of

ZURICH offered easing Swiss interest rates and the firm dollar in addition to the Dow as justification for the Crédit Sui-sse index advance of 1.5 per cent or 6.9 to 470.7. Nestlé bearers, SFr210 higher at SF19,140, topped the active list after Tuesday's news that the company might be considering a ten-for-one stock split. Banks were led higher by CS



Holding which added SFr65 to SFr1.925; in chemicals, Sandoz registered rose SFr60 to SFr2.640; and in insurers, lifted by interest rate hopes, Winterthur bearers put on SFr160 to

BRUSSELS was also lifted by Wall Street. The Bel20 index closed 34.35 or 3.1 per cent higher at 1,149.21 in unusually heavy turnover of BFr1.95hn. Generale Bank was the most active stock, rising 2.6 per cent to FFr6,360 with 45,600 shares

MILAN saw some domestic sellers at the start but then STOCKHOLM made gains in there was a scramble to buy as other European bourses continued to rise. The Comit index rose 9.55 to 547.48 in turnover heavy trading, encouraged by overseas strength and falling domestic interest rates. The Affärsvärlden General index rose 16.1 or 1.7 per cent to 974.7 in volume of SKr728m after estimated at slightly better than Tuesday's L125bn. Stocks due to be transfered SKr417m. Astra continued to dominate trading, as turnover in its shares tripled to SKr191m from SKr60m. Astra A rose SKr18 to the start of the new trading

the start of the new trading account, were strong Benetton rose L430 or 4.2 per cent to L12,000, Sip added L48 to L1,538, Italgas put on L35 to L3,580, Italgas put on L35 to L3,580, Italgas put on L35 to L21,800, and the transport company, Gottardo Ruffoni, climbed L85 to L2,340.

Pirelli continued to rise ahead of its capital increase, putting on L43 or 3.9 per cent to L1,123. The stock reached L1,170 after hours.

MADRID'S general index OSLO jumped 2.1 per cent, the all-share index ending 9.33 higher at 452.46 in active turnover of about NKr460m. Indus-trial stocks led the rally. Norsk relative weakness, rose NKr6

to NKr145.
COPENHAGEN finished off its best as the CSE index closed 3.01 higher at 365.29. HELSINKI'S Hex index put on another 15.92, or 1.8 per cent to 877.12 but free shares did better with a 2.5 per cent gain. VIENNA surged in lively business to a six-week high on hopes that German interest rates have peaked. The ATX index rose 24.58 or 2.6 per cent to 962.23, its highest close since

# Italy and Germany lead the volume declines in 1991

firm in active midday trading. The TSE 300 composite index William Cochrane reviews last year's European trading, which petered out after an exciting first half

3,657.5. Advancing issues led pattern to look forward to on European bourses. ume of 21.3m shares valued at according to some theorists, Nova topped the most active list. Its shares fell C\$% to C\$7% in volume of 1.28m after but the main similarity in their trading statistics in 1990 and 1991 was that each year enjoyit said that it had sold 35m shares at C\$7.15 each, to raise ed an exciting first six months, followed by an increasingly morose second half. History can be blamed for Laidlaw jumped C\$% to C\$12% in heavy trade, continuing its recovery from a low of

that. The year before last started in a fever of excitement over German reunification, and palled in a nervous autumn after the Iraqi invasion of Kuwait. Last year built up rapidly from the outbreak of the Gulf war on January 17 and fell away later, dramatically in some cases, as the growth rate in Germany began to slow down and recessionary clouds started to gather elsewhere. Mr James Cornish of County NatWest, which produces the figures, has provided monthly averages for 1990 and 1991

Italy and Switzerland; mar-ginal declines in three more, Belgium, France and the Netherlands; and useful gains for Spain and the UK. Germany dropped 22.5 per cent to a 1991 monthly average of DM104.8bn, falling from a high in July and, more worryingly, by nearly 28 per cent to DM66bn in December, its lowest since March 1989.

Part of December's problem, says Mr Cornish, was an exag-gerated Christmas effect, traders and investors using the approaching holiday as an excuse to do nothing while the domestic economy suffered in the aftermath of the reunification boom, wage demands mounted and the Bundesbank eventually bumped up interest rates on December 19.

While German share prices rose in late-December, lifted by the record-breaking climb on Wall Street, the real recovery

in volume was delayed until

this week as strategists

#### **EUROPEAN VOLUME FIGURES** Monthly total in local currencie 4 120.9 122.9 125.8 120.9 142.4 4 15.582 15.080 12.316 13.682 14.746 1 1 13.9 15.3 14.2 12.3 10.4 7 742.6 803.6 651.5 716.0 636.1 14.2 13.9 14.6 12.3 12.5 31.9 36.8 31.6 Belgium BFr bn ..... 21.6 110.0 106.7 8,733.6 7,712.0 10.8 11.7 11.0 498.5 12.0 24.5 11.7 585.0 10.4 30.6

decided that wage rises were going to be constrained in 1992 and that European interest rates, as a result, were likely to Italy was even more severely depressed last year, the monthly average dropping by

37 per cent year to year, and running latterly at less than one-tenth of the daily peaks of L700bn to L800bn which it reached in 1986. The Milan equity market has had little to cling to in the face

economies, the latter reflecting poor to near-disastrous perforpoor to lear-dissistants performances by Italy's big indus-trial blue chips such as Flat, Pirelli and Olivetti. The succes-sion of stockbroker bankrupt-cles, which disrupted the run-ring of the century market ning of the equity market, were an almost continuous drain on sentiment.

of sick national and corporate

Switzerland's monthly average fell by 18.6 per cent to SFril.3bn. Here, says Mr Cornish, the economy was a mix of

high inflation and almost nil growth with very low unemployment, making it hard for the national government to take any initiative but to defend the Swiss franc by keeping interest rates high.
In the middle, France recovin the middle, France recovered in rising volume towards the end of December. For a long time, people have been saying that it is a cheap market, looking at domestic political worries but also at a prospective 12 per cent earnings

MADEID's general index rose 5.19, or 2 per cent to 258.50, impressed by the drop in consumer price inflation from 6.5 per cent to 5.5 per cent in the year to December, 1991.

AMSTERDAM closed higher to the contract of the

in active trading. The CBS Tendency Index rose 2.8 or 1.9

per cent to 120.3 in turnover

swollen by Friday's expiration on the European Options

per share growth this year. Mr Cornish thinks it "the most attractive market in Europe". As for the two 1991 winners, the UK, for a lot of the year, reflected the belief in an "Anglo" economic recovery, the theory which expected both the US and UK economies to pick up. In that context, British equities attracted both domestic and quite a lot of international investment; the market was on a 5 per cent dividend yield and this, historically, seems to have been a good anchor for equity levels. Spain, in December, repeated what it did in 1990. Fund managers seemed to be buying blue chips to dress up their portfolios for the year-end; however, it did appear that there was a genuine surge of investment interest in Madrid in the sec-ond half of December, as ordinary investors came bargain hunting after a steep fall in share prices, in low volume, early in the month.

# Hong Kong reaches another record high

WALL STREET'S record close Currency considerations sup-overnight encouraged the ported the natural resources Fletcher Challenge firmed 10 in volume of M\$92m (M\$57.9m). absence of Tokyo which was closed for a holiday yesterday. HONG KONG finished at its

second successive record high. though well off the day's best due to profit-taking. The Hang Seng index climbed to 4,420.07 hefore ending a net 15.05 un at 4,382.66 after turnover of HK\$1.76bn, against HK\$1.68bn. In a buoyant property sector. Cheung Kong rose 20 cents to HK\$19.40 and Hongkong Land edged up 10 cents to HK\$9.30. SEOUL fell back as worries over financial constraints, fall-

ing customer deposits and a full-scale labour dispute at Hyundai Motor continued to put pressure on the market. The composite index dipped 11.49 to 604.63 in turnover of Won231.1bn, after Won217.2bn. Hyundai Motor fell by its daily limit of Won1,000 to Won23,800 following news late on Tuesday that employees of Hyundai Motor had voted to

AUSTRALIA followed Wall Street as the All Ordinaries index moved ahead 23.8 or 1.4 ner cent to 1.675.6 in turnover

Australia (69) Austria (20)...

France (109).

Netherland (31)..... New Zealand (14)...

Norway (25)..... Singapore (38).... South Africa (61)...

Europe (814)....

150.00 46.05 183.65 216.60 259.74 155.43

to A\$13.90 and Western Mining gained 20 cents to A\$4.95. The banking sector was firm

in spite of news that the International Banking Credit Analysis agency had downgraded Westpac's long-term debt rat-ing and put ANZ's long-term debt on watch. Westpac and ANZ each rose 6 cents to A\$4.36 and A\$4.81 respectively. TAIWAN underwent a tech nical correction in the wake of its 7.6 per cent rise since the start of the year. The weighted index lost 8.09 to 4.939.07 in turnover of T\$48.71bn, after T\$45.27bn. Dealers said more profit-taking was likely if the index went through 5,000.

NEW ZEALAND gained ground on better than expected domestic inflation news. Annual inflation in 1991 fell to a 31-year low of 1.0 per cent. The NZSE-40 index closed 25.38 or 1.7 per cent higher at 1,503.70 in turnover of NZ\$29.8m, against NZ\$31.0m. Trading was boosted by some block sales, including 5m shares in Brierley Investments which changed hands at

TUESDAY JANUARY 14 1992

122.29 118.44 122.19 131.79 138.59 134.23 138.48 136.65 116.10 112.44 116.01 112.27 116.56 112.88 116.46 117.13 223.17 218.15 222.99 223.36 71.11 68.88 71.05 77.13 123.57 119.77 123.56 127.17 95.40 92.41 95.32 95.32 148.871 144.03 148.80 179.01 136.60 179.01 136.60 179.01 136.60 179.01

+ 1.0 148.71 144.03 148.60 179.01 - 0.7 136.60 132.30 136.48 138.56 + 0.6 64.15 62.13 64.10 69.36 + 0.5 104.68 101.36 104.58 101.36 + 0.2 176.27 170.72 176.13 221.90 + 0.8 1217.80 1179.47 1216.81 4931.70 - 0.1 124.14 120.23 124.04 122.55 - 1.0 38.11 36.91 38.08 44.95 + 1.9 151.98 147.20 151.96 154.11 + 0.3 179.25 173.61 179.10 163.05 - 0.6 214.96 208.19 214.78 183.74 + 0.3 128.63 124.56 128.52 118.51 - 0.7 149.16 144.47 149.05 154.23 - 0.1 83.34 80.72 83.28 88.12 + 0.4 148.28 143.60 148.15 148.26 + 1.4 141.95 137.49 141.84 171.52

Copyright. The Financial Times Limited, Goldman, Sechs & Co. and County NatWest Securities Limited. 1987 Beigian prices were unavailable for January 14. Latest prices were unavailable for this edition.

DM Index

122.19 138.48 116.01 116.46

Pound Sterling Index

cents to NZ\$3.40, Carter Harvev Holt 8 cents to N2\$2.28 and Lion 3 cents to NZ\$3.93. MANILA responded to Wall Street's strength. The compos-ite index advanced 23.84 to

which show severe falls in

trading levels in Germany,

1,260.50 as turnover rose to 132m pesos from 122m. The telephone blue chip PLDT led the market upwards with a 30-peso gain at 970 pesos, in the wake of its overnight rise in New York. Food and beer company San Miguel saw its class "A" shares close a peso higher at 74.50 pesos. Oil shares continued to fall on profit-taking after their surge on Monday on news that recoverable reserves at the

southwestern Philippines could hit 200m barrels. SINGAPORE strengthened on news that the government-controlled DBS Bank had lowered its interest rates and by assurances that limits on foreign ownership of companies would not be lifted. The Straits Times Industrial index ended 20.71 or 1.4 per cent higher at 1,509.30 in turnover of S\$235.47m, up from S\$110.3m.

KUALA LUMPUR's compos-

Pound Starling Index

139.13 114.41 111.51 286.11 280.47 244.90 84.61 89.58 67.82 149.55 122.97 119.88 116.62 95.90 93.49 177.91 146.29 142.60 166.24 335.70 33.25 77.03 83.34 61.74 125.89 103.52 100.90 212.49 174.73 170.31 1460.29 1200.78 1170.46 1 50.14 123.46 120.34

150.14 123.46 46.53 38.26 180.31 148.27 215.88 177.51 261.25 214.82 154.99 127.45 181.53 149.27 100.62 82.90 178.52 146.79

100.82 82.90 178.52 146.79 169.17 139.11

+0.0 120.06 116.29 119.97 120.52 +0.8 3.99 145.04 119.27 116.26 118.58 119.58 151.52 125.50 126.05 +0.2 153.30 148.48 153.18 150.31 +0.3 2.15 184.79 151.95 148.11 151.07 149.86 200.81 155.55 155.75 +0.4 106.39 103.05 106.31 104.43 +0.4 1.17 128.01 105.26 102.61 104.68 103.99 145.92 117.86 121.90 +0.3 112.11 108.57 112.01 111.58 +0.8 2.38 135.12 111.11 108.29 110.46 110.95 147.66 121.29 123.91 +1.4 140.32 135.92 140.23 167.82 +1.4 2.85 167.25 137.53 134.07 136.76 165.53 169.56 125.91 126.73 +0.2 102.39 99.71 102.67 104.44 +0.6 3.25 124.66 102.51 99.94 101.94 103.80 129.80 103.58 105.99 +0.2 123.57 119.70 123.48 134.63 +0.1 3.94 149.00 122.52 119.45 121.83 13.473 153.19 111.40 111.98 +0.3 114.06 110.48 113.98 113.72 +0.6 2.40 137.45 113.03 110.18 112.38 113.06 148.16 122.32 124.83 +0.7 120.15 116.38 120.07 129.81 +0.9 2.57 146.36 120.35 117.32 119.66 129.93 153.05 122.92 124.18 +0.8 133.25 129.07 133.16 148.74 +1.1 3.28 159.72 131.34 126.03 130.60 147.16 161.90 126.69 126.69

MONDAY JANUARY 13 1992

DM Index

219.19

FT-ACTUARIES WORLD INDICES

Jointly compiled by The Financial Times Limited, Goldman, Sachs & Co., and County NatWest/Wood

Mackenzie in conjunction with the Institute of Actuaries and the Faculty of Actuaries

% chg on day

-0.5

+02 +1.5 +0.5 -0.1 +0.7 +0.9 -1.0 +1.8 +0.1 +0.5 -0.1 +0.7

The World Index (2249)... 148.16 +0.7 122.61 118.76 122.52 131.58 +0.9 2.57 147.12 120.97 117.92 120.28 130.41 153.70 123.28 124.51

Currency Index

131.79

Gross Div. Yield

4.20 2.11 5.28 3.15

1.68 2.14 2.68 4.66 2.89 2.26 5.02 2.84

148.31 166.33 140.29 139.13

Linapacan A-2 oil field in

ing, which firmed 50 cents to M\$12.10. Resorts World advanced 40 cents to M\$10.50 and Malaysian International Shipping foreign shares appreciated 35 cents to M\$8.00.

RANGKOK finished firmer across the board following gains in foreign stock markets. The SET index closed 10.89 stronger at 742.99 after turnover of Bt5.76bn, the heaviest in two months. Slam Cement gained Bt12 to Bt656. Siam City Cement Bt2 to Bt140 and Jalaprathan Cement Bt12 to Bt680. Bangkok Bank was unchanged JAKARTA closed lower,

with the official index down 1.27 at 250.14. Trading was slow and turnover contracted to 2.97m shares, from nearly 4m the day before. Astra Interna-tional came under strong selling pressure and fell 300 rupiah to 11,300 rupiah.

BOMBAY soared to a record

closing high for the second time this week on speculative buying fuelled by an amnesty on repatriating foreign funds. The BSE index added 22.11 or 1.1 per cent at 2,020,18.

DOLLAR INDEX

217.74 73.32 119.11 94.15

1981/92 1991/92 High Low

160.31

273.94 125.15 152.33

125.35 179.70

222.80 76.26 125.91 95.34

1770.46 1193.84 4895.96 1471.54 120.34 122.75 121.43 155.45 37.29 38.04 45.39 54.64 144.52 147.41 151.74 223.24 173.03 176.49 162.85 223.53 209.39 213.58 183.61 271.99 124.23 126.71 117.89 171.12 145.50 148.41 154.32 204.12 80.81 82.43 87.47 103.50 143.07 145.93 146.79 187.44 135.60 138.31 169.17 171.52

#### **BUSINESS LAW**

# Programmes to keep trade fair

#### By Clive Davies

The failure in recent years of the centrally planned economies of central and eastern Europe to fulfil the expectations of their peoples, and the re-emergence of societies based on free com-petition, support Thomas Jeff-erson's philosophy that free trade is the foundation of com-

merce.

The law in a number of countries attempts by regulation to preserve fair competition and thus enforce this underlying principle of free trade. While there may be some paradox in regulating for freedom, these laws have a practical impact on most businesses operating within their jurisdictions.

The laws can be traced back in many cases to the English common law doctrine that conare against the public interest American antitrust law developed this original concept when the so-called "trust busters" in the early part of this century broke up huge business conglomerates such as Rockefeller's Standard Oil because they were perceived to be strangling commerce by their widespread interests. English legislation after the Second World War regulated monopolies, restrictive trade

practices, resale price mainte nance and anti-competitive practices.
The European Community aimed at prohibiting agree-ments or concerted practices which prevent, restrict or distort competition and the abuse of dominant positions which could threaten the creation of

a single European market. The EC legislation is enforced by the European Commission and cases can be brought before the Court of Justice in Luxembourg or, more precisely, before the Court of First Instance, which took over jurisdiction for all competition cases from the senior court in September 1989. The Commission can fine offenders up to 10 per cent of their worldwide annual turnover for breaches of the compe-tition rules in articles 85 and 86 of the Treaty of Rome. In December 1990 it fined ICI and Solvay more than £33m for operating a cartel in sode ash, a key ingredient of glass, and in July this year it fined Tetra Pak, the Swiss liquid packaging group, £52m for abuse of a dominant position. American companies have

been exposed for a longer period of time to potential investigations by the Federal Trade Commission or the Department of Justice, with the possibility of treble damages being awarded in the courts, and have consequently taken competition law compli

ance seriously for many years.
As part of ensuring compilance within their organisa tions, and also minimising the consequences if they do infringe any of the antitrust laws, many US companies operate effective antitrust comliance programmes. In Europe such programmes seem to be a rarity, even

among large companies trading internationally which, it would be reasonable to assume, would be at some risk if they were in breach of the law. The advantages afforded by an effective competition compliance programme should have been clear to European companies for some time. As long ago as 1982, in a case involving National Panasonic. the European Commission made its views on the subject

abundantly clear: "Regard must however also be taken of the fact that [the companyl has taken urgent steps to regulate the overall marketing policies of its sub-sidiaries in the EEC...[The company] has also conducted an audit of its legal practices in the Community and has ed Codes of Conduct to all its subsidiaries in the EEC which have the authority of

the parent company.
"This constructive attitude adopted by the manage-ment...has been taken into account in assessing the amount of the fine. The undertakings concerned have adopted a comprehensive practical detailed and carefully considered antitrust compliance programme, with appropriate legal advice. Such action must be considered a positive step which contributes to an awareness at all levels of the group of the daily impact of competi-

tion policy."
In the UK the House of Lords has also indirectly provided support for compliance programmes in a recent restrictive trade practices case. It involved Smiths Concrete, which successfully appealed to the Law Lords against a fine imposed by the Restrictive Trade Practices Court for participating in a price fixing car-tel. The Law Lords ruled that the company had taken all reasonable steps to dissuade its staff from entering into unlawful agreements. A compliance programme should take full account of the

industry in which the company operates and be run by in-house or external lawyers who have a good working knowledge of the company's business methods, with assistance from the company's training department.

This gives the lawyers the opportunity to participate in

preventative legal measures, and enables commercial managers better to understand the contribution they can make.
It is essential, however, that the programme is understood and endorsed by the company's senior management. Otherwise it may be considered time consumme and even a nuisance. as it lacks any authority or commitment from those who make the key decisions within

the organisation.
Such a programme would need proper planning and involve some form of compli-ance audit to determine the current understanding of competition law within the company and the extent of any non-compliance.

This would be followed by an education programme aimed at creating awareness and an understanding of the reason for the programme among rele-vant managers and employees. Any offending business practices should be changed. Even informal arrangements among competitors must be

Take as an example, a sales managers' conference attended by a number of European companies that all trade in similar products throughout the Com-munity, but only one company that has invested in a competition compliance programme.
At a post-conference social

gathering, somebody suggests that their common problems are associated with customers are associated with customers negotiating different prices for the respective products. Another representative agrees and adds that it would be simpler if they could all agree what discounts to offer. A third says they should also agree which parts of the Community would be served by each com-

pany.

The representative of the company which has a compliance programme points out that what they are proposing amounts to an illegal price fix-ing and market sharing cartel ing to do with it. Later, however, he mentions the conversation to a colleague at a company which is having considerable difficulty in obtaining any market share owing to price cutting activities by competitors, prompting a complaint to the Office of Fair Trading (OFT) in the UK

and the European Commission An industry investigation would inevitably follow. Some of the companies would be subjected to dawn raids by Com-mission representatives, followed by a protracted investigation by the two com-petition authorities, with the likelihood of substantial fines and enforced changes to their

business practices. The company with a compliance programme would also be investigated, but it would be able to avoid any fine by using its compliance programme to demonstrate that it had avoided participation in any anti-competitive practices.

Are there any disadvantages in establishing a competition compliance programme? Such an exercise may cause some resentment among business managers, who could see it as undue interference in their This can be overcome by senior management endorsement and sensitive training, designed to emphasise the overall value of the programme

to the company. If a company were found to be in breach of competition law, after establishing a compliance programme, the compe tition authorities could be adversely influenced by the company's failure to meet its own standards. However, the proper implementation of such a programme would be more likely to impress the OFT or the Commission than other-wise, particularly if it is seen as a continuing process which is followed through and

reviewed year by year.

Business lawyers and their clients are now realising the benefits of identifying potential problem areas and dealing with them before they become big issues. Competition law compliance programmes are a timely and sensible way of furthering such practices, while endorsing the economic and legal systems which should enable companies to flourish in their chosen fields of business: The author is a pariner with City solicitors D J Freeman &

